



Debates

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Wednesday, 18 October 2006

MR SPEAKER (Mr Berry) took the chair at 10.30 am and asked members to stand in silence and pray or reflect on their responsibilities to the people of the Australian Capital Territory.

Emergencies Amendment Bill 2006

Mr Pratt, pursuant to notice, presented the bill.

Title read by Clerk.

MR PRATT (Brindabella) (10.31): I move:

That this bill be agreed to in principle.

On the surface of it, the brouhaha about the bushfire brigade and SES unit bank accounts and community fundraising might seem to be merely a minor admin glitch or perhaps even an unreasonable rebuff by the volunteers of certain initiatives the government might seem to be taking re the way these bank accounts and the fundraising issues are managed, but that is not the case. This matter has impacted—in very, very short order, by the way—quite seriously on our volunteer units. It has impacted quite seriously on their morale at a time when we want our volunteer units, our brigades and SES units to be on their toes and moving rapidly into their preparations for a bushfire season. The opposition is concerned that this matter has not been expeditiously addressed by the government.

Therefore, I have tabled here today the Emergencies Amendment Bill 2006, the aim of which is to address the possible threat of anomalies in the Emergencies Act 2004 and related acts which may affect the RFS brigade and SES unit bank accounts. I stress “may affect”. The minor anomalies which may exist have clearly frightened the Government Solicitor’s office, the department of JACS, the ESA, apparently, too, the COs of the RFS and the SES, and ultimately the minister into having some concern about the proper and reasonable management of these sorts of accounts.

It has been said that such anomalies may put at legal risk the traditional habit of RFS brigades and SES units managing their own bank accounts. It has been said by the bureaucrats—and now the minister apparently believes them—that fundraising by both rural and urban communities is, too, at risk. We are talking about community fundraising supporting various bushfire brigades and SES units, a community and brigades/units practice which goes to the heart of the community and to the heart of volunteerism.

The structure that we have in emergency services in the ACT is based traditionally on volunteerism. Without the volunteer brigades and the volunteer SES units, we really do not have a credible emergency management response beyond the urban edge. We certainly have a professional fire brigade, professional ambulance services and other agencies to take care of the inner circle, so to speak; but, without the volunteer agencies, the good-hearted nature of volunteerism and the willingness of our volunteers to turn out to fight bushfire, flood and other emergencies, we do not have a capability. So it does not make any sense that a stultifying bureaucracy, which is clearly developing at the

moment, should impact on that volunteer nature and on the heart of volunteerism, thereby degrading capability.

Going back to this point about communities raising moneys: communities donating these moneys expect that funding will be spent by the brigades expeditiously as the brigades or units see fit in the defence of those communities. These traditional bank accounts, which contain the hard-earned fundraising dollars of individual units/brigades, are currently at risk of being taken out of the control of these brigades/units and put back into the cavernous coffers of the ACT government through departmental-controlled trust fund accounts.

The minister in this place yesterday pretty much denied that is going to be the case or that that is not the intention. He may well be right. The minister may simply be locked in by stupid bureaucratic initiatives taken by his bureaucrats. I hope that is the case, and I would like to see the minister give more account of his intentions and his attitudes about this current anomaly.

However, a letter recently sent by the Department of Justice and Community Safety's chief executive officer, Ms Renee Leon, to all bushfire volunteers said:

The current storage of volunteering fundraising money does not comply with the Financial Management Act, because moneys raised by donations must be kept in a Territory trust fund not in an ordinary bank account.

She said in her letter to the volunteers that the "moneys raised by donations must be kept in a Territory trust fund not in an ordinary bank account". That was like shoving a stick in a hornets' nest. When that letter went out to those volunteer brigades/units, they were up in arms. The brigades/units are not being girlish about this; they are genuinely concerned by the tone of that letter.

Ms MacDonald: Someone is against girls.

MR PRATT: We might have a gender debate later. If I have offended you, Ms MacDonald and all people of other gender in this place, I apologise. Thank you for reminding me, Ms MacDonald. Shall I say it is not a case of their being limp-wristed, a bit sad or a bit soft; they are genuinely concerned. Their outrage, which we have seen expressed in the last seven days, is genuine. They are not putting on an act. They are deeply concerned. They say, "Why should traditional practices which go to the heart of volunteerism be threatened by bureaucratic practice?"

If Ms Leon's letter is correct and if Ms Leon's intentions as expressed in the letter are correct and are going to be followed through, this essentially means that the efforts of countless volunteers across the ACT would be in jeopardy, given the vague pronouncements in the Financial Management Act. The countless efforts of community groups who put out the donation bucket to raise money for a specific brigade/unit would be put at jeopardy if it was deemed necessary that all moneys raised by communities for brigades/units must be transferred to and held in ESA or JACS-run trust accounts; that is, the hard-raised money by communities for their or other brigades/units would be taken away and counted as territory funds or counted as government funds.

If this is going to be the accidental by-product of the relatively new Emergencies Act 2004 or an excuse for the government or its senior bureaucrats to seize and control such funds, then this will be outrageously unacceptable. We want the minister to tell us what condition this is. Is it the accidental by-product of sloppy new legislation or is it a bureaucratic attempt, at whatever level of governance, perhaps even at RFS and SES headquarters level, to seize the brigade/SES-raised funds? That matter needs to be made clear. The minister needs to tell this place which condition this is. Is it simply a silly anomaly that popped up as a consequence of the 2004 enabled Emergencies Act or is it a case that some silly bureaucrat has seen an opportunity to extend their power and take away from units the independence that a lot of bureaucrats don't like to see units having? Is that what it is? We need that point clarified and clarified quickly. And so do the brigades and units.

The Emergencies Amendment Bill that I have tabled today ensures that RFS brigades and SES units can carry on raising, holding and spending funds, as they have traditionally done. This bill will enable brigades/units to continue to raise funds for a specific purpose, that is, a new fire tender pump when the need has been identified. In the past, brigades have been able to purchase vital equipment and build necessary brigade infrastructure or carry out admin tasks or admin events that the government, the ESA, and the former SEB were, and still are, unable to fund. This Emergencies Amendment Bill will preserve this time-honoured practice.

We are very concerned that the minister has stated an intention to establish a working committee and address the problem "at the end of the bushfire season". Why do we need six months to sort out what should simply be an anomaly that needs to be rectified, although it is an anomaly which is impacting severely on brigade/unit morale? Why let something fester? Why let something which causes heartburn and will distract our volunteers from their essential tasks sit around on the table for six months or more?

The minister said here yesterday in question time that he thought the volunteers would prefer to wait until the end of the season to have this matter addressed. I do not know why he said that, given the tirade of correspondence and emails around the place and the expressed opinion of the volunteer captains in both the SES and the RFS about wanting to see the matter resolved now—in weeks or days, not months. I do not know why he said that yesterday. This shows poor judgment on the part of the minister. The minister has automatically cruised into bureaucratic mode. He has taken the long-committee approach to resolving a simple but testy issue.

I repeat: this is an issue that is affecting volunteer morale now. Our volunteer units are now preparing for the bushfire season. The last thing they need now is these distractions and the uncertainty that comes when you have got changes occurring at the bureaucratic and the strategic level, with the loss of Peter Dunn and with what is, hopefully, only a temporary vacuum in leadership at the senior levels of our emergency services command structure. This is not the time to be adding further concerns and impacting on the morale of these agencies.

We need to see, the community needs to see, the brigades and the units need to see and the CO of the RFS and the CO of SES need to see leadership exercised by the minister. Minister, you need to take a few minor, managed risks, override the bureaucracy and lay

down a ministerial edict to stop this rot going on. You can legislate here quickly to put at rest the minds of our volunteer brigades and units so that they can get back to the job of preparing for the bushfire season.

I have been told by various experienced volunteers that this nonsense, the so-called financial and legal advice about brigade and unit bank accounts, has been going on for decades. It has been popping up and then it gets suppressed. The opposition is going to fix this now. At least we have the intention to fix this now, to get the minister's and the bureaucrats' hands off the money, if that is the case. We have tabled legislation here today and we invite the minister to take it up and sign off on it, if necessary, or at least support our legislation and vote with us in November so that we can implement the measures that need to be taken to get this ridiculous situation put to bed. I call upon the government to join with us and do this now in what is really a case of resolving an issue in days and weeks rather than in six months.

Finally, I stress the salient points of this amendment bill. The amendment bill seeks to ensure the following:

- bushfire brigades and SES units may hold bank accounts for the purpose of raising funds from the community for operational training and administrative purpose; and
- bushfire brigades and SES units will be permitted to spend funds so raised for operational, training and administrative purposes, in accordance with accepted financial management practice.

The amendment bill will:

- deem that volunteers selected or delegated by brigades/units will manage such accounts;
- furthermore, and importantly, authorise the Auditor-General to undertake audits of brigade/unit accounts if the AG wishes; and
- remove any doubt about the classification of such moneys raised by brigades/units.

The amendment bill states under section 6, subsection (5):

To avoid any doubt—

- (a) money held or applied under this section is not public money; and
- (b) the Financial Management Act 1996 does not apply to money held or applied, or a banking account maintained, under this section.

We believe that this bill puts in place the measures needed to ensure that any anomalies that may exist as a consequence of the introduction of the Emergencies Act 2004 and the requirements of the FMA do not allow this confusion to continue. We think that this bill firewalls any of those concerns and that this bill should give the minister the confidence to be able to turn around and say, "Brigades/units, get on with it. Here is your instrument. Carry on as you have traditionally done since you started fighting bushfires in this country 150 years ago. Continue to raise your funds and continue to spend your

funds as you see fit, provided you do it in accordance with best-practice financial management.”

We commend this amendment bill to the government. We seek the government’s support to vote with us in November so that the opposition and the government working together can quickly go to the nub of this problem and resolve it in weeks, not months—and certainly not in six months and certainly not through the unnecessary establishment of yet another committee or another inquiry. Get the matter resolved, minister. This is your opportunity to exercise leadership. Grab this by the short and curlies. Resolve the issue. Give your emergency volunteer units and brigades the confidence that they need to be able to raise their funds. Give the communities confidence so that they know that, when they raise funds for brigades/units, they will have confidence that those moneys are going to be spent for those express purposes.

This is your opportunity, minister, to do the right thing. Do not drag this mess on for another six months. Let us not see yet another typical Stanhope government dragging of the chain, too frightened to make decisions on issues that create unnecessary angst in the community or that impact on the morale of our front-line—

Mr Barr: This will be your approach to the education bill later in the day, then, will it, Mr Pratt?

MR PRATT: I know you do not care about that, Mr Barr. I know you do not particularly care that sound, sharp decisions are made in the best interests of the community, the schools or our volunteer agencies. But here is an opportunity now for the minister to support this legislation. We commend the amendment bill to the Assembly.

Debate (on motion by **Mr Corbell**) adjourned to the next sitting.

Land tax system

MR MULCAHY (Molonglo) (10.51): I move:

That this Assembly:

(1) notes:

- (a) the acute shortage of rental accommodation in Canberra;
- (b) the concurrently high levels of rent that Canberra tenants currently pay for rental accommodation;
- (c) the relatively high levels of land tax that ACT property owners are subject to when compared with land tax rates in other Australian States and Territories; and
- (d) the impact that high levels of land tax have on housing affordability in the ACT; and

- (2) calls on the Government to initiate an urgent and open review of the land tax system in the ACT in order to create a simpler and more equitable land tax regime.

I draw the Assembly's attention to a serious situation that has arisen in the ACT. It is clearly affecting both residential property investment levels and at the same time rental prospects for young families, first-time investors and those in need of affordable housing. I am referring to the situation where exorbitant land tax rates have created such a disincentive for investment in residential property in Canberra that we are now seeing the adverse flow-on effects in higher rents, fewer affordable rental properties and an even more crippling financial burden on Canberra families.

We have recently learned, through media reports and published data, that median weekly rents for a three-bedroom home in Canberra are now the highest in Australia, at \$320, and that median unit prices are \$300 a week. One has to wonder how such a situation has come to pass. Having rentals that are at record levels in the Australian national context is not necessarily a great badge of honour. It is a sign that the increased costs that landlords are enduring through higher land rates and increased charges on their investments are now filtering through to renters.

To appreciate these costs, let us review some comparative national figures which demonstrate that the land tax on a property valued at \$150,000 in the ACT is \$1,335, almost double that of the next most expensive jurisdiction, Tasmania, at \$737.50. New South Wales and Queensland property owners do not pay any land tax at this level. It gets worse. In the ACT, land tax on a property valued at \$350,000 is \$4,900. Again, that is more than double that of the next most expensive jurisdiction, Tasmania, at \$1,837.50. Once again, neither New South Wales nor Queensland property owners pay any land tax even at this level.

If we go further and take a more generous figure and examine how the ACT sits in these ranges and look at the land tax on property valued at half a million dollars, what do we find? It comes as no surprise to me that, once again, the ACT is top of the field, charging \$7,000 in land tax, which is an incredible \$2,162.50 more than second-placed Tasmania. If you choose to invest in Queensland and you have got a property of that value, what do you think you will pay up there? \$500.

I am conscious of the fact that a median-priced home includes a house, but the data that is accessible relates to all those components. For the record, simply looking at the value issue, a property valued in the median price of our market, at \$386,500, attracts a tax of \$5,411. Extraordinarily, in Sydney, which is the next most expensive city in Australia, where the median price is \$495,700, the tax on a property of that value is \$2,542.90. It is \$5,411 in Canberra, sitting at the \$386,000 mark, and \$2,542 in Sydney, at almost the half-a-million-dollar mark. What boggles the mind is that the figures for the ACT are not just a little more expensive but are several thousand dollars more expensive in a number of cases than any other Australian state or territory.

If you narrow the focus from the national to the local level, my attention was drawn to a letter in the *Canberra Times* on 11 October. It encapsulates the problem being faced by mum and dad investors. I have heard Mr Hargreaves's view before about the capitalist

practice of investing in property but, thank heavens, we have got people investing in real estate in Canberra. It addresses the needs of many people who cannot afford to buy a home. My plea here is that, if we make that too uneconomic for people, we are going to exacerbate a problem in relation to housing. And that is already becoming quite evident.

This particular letter that was written to the *Canberra Times* cited the experience of the author. He had two investment properties that were two-bedroom houses, one in Braddon and one in Yarralumla. In 2005, his Yarralumla property produced rental income of \$15,600, against costs of \$14,625, on which rates and land tax were \$8,666. This resulted in a net gain of only \$975.

Mr Stanhope: Was the house negatively geared? Does the letter say?

MR MULCAHY: I will come to negative gearing in a moment, Mr Stanhope. It is a significant factor. In the same year, his Braddon property earned rent of \$13,100, against costs of \$13,580, of which rates and land tax were \$7,420. This resulted in a net loss of \$470.

Mr Stanhope has left the chamber. He said, "Was the place negatively geared?" Let us say this particular property was negatively geared. I am not privy to this gentleman's tax affairs. For that Braddon property, he has got a net loss on his investment of \$470. If he were paying the highest rate of marginal tax, he would be probably getting an effective reduction out of that, a saving, in the order of \$230. But, thanks to the territory government, he has handed over \$7,420. So negatively geared or not, this gentleman has derived an absolute pittance on his property. At the same time, the big winner in this is the territory government.

I am happy to have a debate about negative gearing, because negative gearing, I guess, again shows the Chief Minister's limited understanding of the marketplace and economics. If he thinks that that is a good investment based on negative gearing, he needs to do a little bit of understanding of economics. He might want to talk to Mr Barr, who will explain to him that that is probably not a very prudent investment, if that is the best return one can gain.

Possibly you could argue that negative gearing would be beneficial if you had tearaway inflation of 20 or 30 per cent, as we used to get under the former Labor government federally, and massive capital growth. But I do not think that is the case. If the government would contend that their taking \$7,500 out of this investment in return for this gentleman claiming a loss against his income of \$470, effectively getting himself—

Mr Stanhope: What, no depreciation?

MR MULCAHY: We have cited the charges in here, Mr Stanhope. The depreciation, I assume, would be part of those charges. Even with that loss of \$200-odd, it begs the question: is an investment return that gives the government of the ACT \$7,500 and gives this poor taxpayer a net benefit of about \$200-odd equitable? Is that reasonable? Is that a base on which we encourage investment? I suggest to you that that is not the case.

How can private investors justify their acquisitions that seem to bring so little return? The considerable disincentive that high land tax rates have on residential property

investment in the ACT was lamented in an opinion piece in the *Canberra Times* on 9 October by the president of the Real Estate Institute of the ACT, Mr Peter Blackshaw, something to which the Chief Minister made reference yesterday.

He noted the increased prevalence of rental auctioning in Canberra, which is a sure sign that the shortage of rental properties in the city is causing unwanted effects in the market. He pointed to the lack of investment that is occurring in residential property and indicated that a big reason why this is happening is due to the low returns on these investments, which my previous example illustrates perfectly. I might add that, when the Chief Minister was out of the chamber, I talked about the capital gains issue.

Mr Blackshaw pointed out that the city with the highest rents is the city with the highest land tax, and that city is Canberra. He quoted from a survey undertaken by the Real Estate Institute that shows how the owner of an investment property with an unimproved capital value of \$300,000 is charged \$4,200 land tax in the ACT while, at the same time, New South Wales, Queensland and the Northern Territory charge nothing. The closest state to impose such a tax is Tasmania, at \$1,562—a fraction of the ACT rate.

His other point was that in the current investment environment, smaller private investors who are being discouraged by residential property can move easily into shares and other investment options, leaving a vacuum in jurisdictions that offer unattractive terms for property, the ACT being a major culprit. This is what one has to appreciate in the investment market. Investing in real estate is not the only option available to people who have got investment funds at their disposal and who are looking to an environment in which they can get the best return on their money. Clearly, in relation to property in the ACT, this is now coming under a deal of threat because of this tax regime.

Mr Stanhope attempted to refute Mr Blackshaw's insights in the *Canberra Times* on the following day—a speedy response. Upon review, his points hardly provide comfort in the situations being addressed, let alone acknowledged, by this territory's government. First, he said that the investor share in the ACT housing market has virtually remained unchanged since 1991. But when this fact is viewed in the context of the ever-increasing number of people who have moved to the city since 1991 looking for rental accommodation and looking for work, I would not have thought that a stagnant figure of investment is something of which to be proud.

Residential investors may not be leaving in droves, but they are certainly not keeping up with the increased demand for affordable housing in Canberra. If they were keeping up with the increased demand, we would not have this rental crisis. We would not have the highest rental levels in the country, putting an enormous pressure on, particularly, ordinary families, working families, who may have less disposable funds available and are not in a position to acquire a property.

The second thing that Mr Stanhope pointed to was impressive investment returns on three-bedroom houses in the ACT in the year to June 2006. Finding a positive statistical needle in a haystack is all well and good, but it still fails to address the real issue—that rental rates are higher because the costs of maintaining an investment property in Canberra far outweigh equivalent costs in other states and territories.

Referring again to our friend who wrote to the *Canberra Times* and who has properties in Braddon and Yarralumla: he has been forced into looking at capital gain on his investments, simply because renting them out is proving untenable. This means that yet another residential investor leaves the rental market, further reducing supply. In the face of ever-increasing demand, this makes the problem worse. I have had correspondence from defence families, who have had assignments and were sent to places like Townsville, in which they have lamented that they simply cannot afford to maintain their Canberra property when they take into account all the rates, taxes, charges and the land tax applicable.

In Mr Stanhope's defence, he referred to the Commonwealth Grants Commission and its assessment of ACT taxation levels. He should carefully consider the \$1.2 billion in commonwealth grants that his government is receiving, over \$65 million more than the 2005-06 estimates, before crying poor over inadequate payroll tax receipts and the territory's narrow tax base. The simple economics of our situation suggest that over the years ACT government revenues have been more than sufficient after taking into account its single-tier structure.

A fact that it has never acknowledged here is that, whilst we have a municipal and, effectively, an almost equivalent state-government role, we also have a single-tier structure, and there are inevitably economies that ought to be reflected in the economic management of this territory as a consequence. We rarely get any acknowledgment of the generous commonwealth grants that are provided. That is obviously the subject of another debate that I have raised before and certainly will raise in the future.

The reality is that this government refuses to recognise this acute problem with affordable rental accommodation in the territory and, instead, fobs it off as a cyclical residential rental squeeze. The low vacancy rates that Canberra is experiencing due to the number of people that have been entering the city is combining with the increased property costs through high land tax and other property-related charges to make life more difficult for those who rent. In other words, it is a simple demand and supply problem.

Fewer residential properties are available to an ever-increasing pool of rental tenants because the incentive for investors to create a greater supply of rental houses is simply not there. Such cheap and mean revenue-raising measures only hurt those who do not have the surplus income to meet the increased costs. The super-rich property moguls simply find another place to invest. Unfortunately, the more prevalent mum and dad investors do not have such a luxury, so they have to increase rents to make ends meet. And we are not talking about tycoons. I know a number of people in the public service who have got rental properties. I do not consider them people who have got massive empires or are monumentally wealthy, but they are finding that the economics are no longer adding up. While high land tax rates keep new investors away, the existing supply of rental accommodation over demand puts further upward pressure on rental rates and absorbs more discretionary income from our local residents.

It is unfair that people who own or rent property in Canberra should suffer increased financial pain just so this government can make up for economic failures. The financial stress that families, pensioners and those on fixed incomes are now experiencing is

quickly becoming too much to bear. With this in mind, I call on this government to initiate an urgent and open review of the land tax system in the ACT. (*Time expired.*)

MR STANHOPE (Ginninderra—Chief Minister, Treasurer, Minister for Business and Economic Development, Minister for Indigenous Affairs and Minister for the Arts) (11.06): The government certainly place very high importance on the availability of affordable housing, whether it be through public housing, private rental or home ownership, and we acknowledge the significant pressures that are present today. As a result of that I have appointed a significant high-level affordable housing task force to investigate each of the issues that impact on affordability within the territory. That is a work in progress, as members know, and to that extent this motion really represents a catch-up by the opposition, a grabbing onto the tails of work already initiated by the government, already in play by the government, through the affordable housing task force, which will provide its first report in the next four weeks.

This really is just a lazy opposition trying to get in on a debate that has been around for a significant time and to which the government has already forcefully responded. In that context, the government certainly will not support this motion. It will not support a motion that calls, essentially, for an inquiry into land tax, which is part and parcel of an inquiry or a process that the government already has in place. We are already doing what the motion calls on us to do. This really is a lazy opposition just playing catch-up.

It is important when discussing the issue of rents and land tax today to put the issue into some context. The ACT has the lowest unemployment rate in the country, which at 2.7 per cent is nearly half the national rate. In addition, the ACT has the highest rate of labour market participation in the nation at 75 per cent. This high level of employment and the strong economic outlook mean that ACT residents can enter into rental contracts with certainty about being able to pay the rent. The situation is not about to change. If you are looking for a well-paying job, the ACT is the place to find it.

The strength of the ACT economy is also affecting housing investment in other ways, and we need to accept this and acknowledge the reality of the strength of non-residential construction currently in the ACT, which continues to reach record highs. It certainly is putting pressure on construction times and prices in the residential housing sector, but the economic activity is also creating jobs and incomes from which we all benefit. That is the context in which we need to have this discussion. You cannot just pick out land tax as a single item, concentrate on that and attribute to land tax all of the difficulties that other factors in the overall context represent for Canberra and for people in Canberra.

It certainly is true that average rents in Canberra are high at the moment and that they have grown. However, it is also true that the ACT has the highest median income in the country, at nearly \$10,000 a year, which is \$200 a week, higher than the Australian median income. It is also a fact that we have the highest disposable household incomes in the nation by a country mile. The national average household disposable income is \$27,000; in the ACT it is \$43,000. You need to take these factors into account in any discussion around affordability and any discussion around the relativity of rates, charges and rents. In that context, ACT rents remain relatively affordable, accepting always, of course, that for some residents of Canberra any rent will represent a difficulty in the context of their personal circumstances. But in an overall context ACT rents remain

relatively affordable. Indeed, the Real Estate Institute of Australia consistently reports that the ACT is the most affordable place in Australia.

Rents will move up and down depending on market conditions. The relative affordability of rents has not been subject to the same fluctuations as house prices. In fact, as a share of household income, median rents are only slightly higher than the average over the last 10 years. Those are the facts. The opposition, however, would have us believe that nobody can afford to live in the ACT and that this is the only city in which rents are rising. The evidence does not support that view.

It is interesting that in the speech we have just heard from the shadow Treasurer he said that the evil, the bogey, in the ACT is land tax. The opposition signalled today that they will abolish, reduce or spread the burden of land tax across all ratepayers. But the opposition cannot come into this place, put up a motion like this damning land tax, saying how inequitable it is, how unfair it is and how it is blighting the territory, and not suggest what they will do as an alternative. The shadow Treasurer, through this motion, has now added to the string of announcements or pronouncements that the Liberal Party has made over the last three months. Steve Pratt, on behalf of the Liberal Party, has announced that the emergency services levy will be abolished.

Mr Mulcahy: It's not our policy.

MR STANHOPE: It has been announced by the Liberal Party. The Liberal Party have announced that the emergency services levy will be abolished—\$20 million gone. Mrs Dunne has announced that the Liberal Party will not support the water abstraction charge—another \$20 million gone. Mr Pratt has announced that pay parking will be abolished at the hospitals and reviewed across the ACT. Mr Mulcahy today essentially signals that land tax will be abolished—\$65 million.

Mr Mulcahy: Review it.

MR STANHOPE: If it is not to be abolished, what is this motion about? If it is not to be reduced, what is this motion about? If it is not to be reviewed with a view to removing it, what is the motion about? Why are we debating this if this is not a signal or an expression of intention by the Liberal Party to remove from the ACT's revenues another \$65 million, to go along with the \$20 million that Steve Pratt has announced will be removed, to go along with the \$20 million that Mrs Dunne has announced will be removed? Here we are—\$100 million.

If this is not about removing land tax, it must be about a new arrangement for the collection of land tax, essentially broadening the base. How do you broaden the base in relation to land tax? You apply it to all ratepayers. There are three options here: cancel it, broaden the base or reduce it. Are they going to cancel it? They would not. That is \$65 million. So are they going to halve it—let us say \$30 million? Perhaps that is the option. Or are they going to broaden the base on which land tax is collected—in other words, protect their mates the investors and spread it across the community—and adopt, essentially, the attitude that the property council suggests we need to adopt in relation to the emergency services levy?

The property council says that the emergency services levy is a fine thing as long as only householders pay it; it is no longer a fine thing when the commercial sector is invited to contribute to the safety of the city. It is the same philosophy that Mr Mulcahy and the opposition would apply to land tax: land tax is probably okay because we need the money, we do have a narrow revenue base, but it is not fine when applied at a level needed to meet your service delivery commitments if you are applying it to a particular sector, so let us broaden the base.

The difficulty with this motion is that it sends the signal that the Liberal Party wish either to abolish land tax or to spread the burden of it to every ratepayer, to every household in the ACT. If that is not what the Liberal Party intend in this motion, why are we having the debate? Why have they moved the motion? Why are they damning land tax, other than to send the signal that in government they will remove this tax; in other words, they will forgo \$65 million in revenue raised through land tax? If that is the case, which services are you going to cut? Which hospital services will no longer be delivered? In the context of education, you have already announced that you will not close any schools, so what are you going to do in education with this lack of \$65 million?

If that is not what the motion is about, what is it about? It is about the shadow Treasurer sending the signal today that, in addition to the \$20 million from the emergency services levy that the Liberal Party intend to forgo in government, as announced by Mr Pratt, and in addition to the \$20-plus million from the water abstraction charge that they intend to forgo, as announced by Mrs Dunne, they are prepared to forgo \$65 million of land tax. And to the \$65 million of land tax that they are prepared to forgo you now need to add the \$16 million of utilities facilities charge, which the shadow Treasurer attacked yesterday and in today's paper says is an unfair burden on business.

Members interjecting—

MR STANHOPE: If it is an unfair burden on business, if it is an unacceptable tax, if it is a tax that the opposition oppose, we are entitled to assume that the opposition will not collect it. We are entitled to assume from the shadow Treasurer's remarks that they will not impose the utilities facilities charge. We are entitled to assume from Mrs Dunne's comments, as the relative spokesperson, that they will not collect the water abstraction charge. Mr Pratt at least has been explicit and is on the *Hansard* record as saying that over his dead body will the emergency services levy be collected.

Members interjecting—

MR STANHOPE: This is not a laughing matter. We have an opposition on the public record as bluntly opposing over \$100 million of ACT revenues. You cannot with any legitimacy sit on the opposition bench and spout policy positions that involve the abolition of over \$100 million worth of taxes and not tell us what you will do in return. Where will the money come from? Mr Mulcahy today has made an impassioned and strong speech about the evils of land tax. But he cannot with any credibility stand in this place and speak so violently against land tax and then stand up in government and say, "Oh, well, ignore everything I said about land tax; we are not changing it; we are not abolishing it." Is the agenda to spread the burden of the tax? Will they spread the burden of the tax to every householder in the ACT? Is the Liberal Party's agenda to increase

household rates by \$65 million to cover the shortfall, the black hole that the abolition of the land tax would create?

You must say what your alternative position is. You stand up in this place, bag this government and this tax and say you do not support it. But, if you do not support it, what are you going to do in its place? You either have to raise the money in some other way or you have to cut services to the tune of \$65 million. What are you going to do? Are you going to raise the revenue in some other way? If so, how? Tell us. Let us know. Let the people of Canberra in on the secret—or tell us which \$65 million worth of services you will not deliver in government. Tell us. Tell us now. Let the people of Canberra in on your secret. Let us have no more of these code motions: “Let us review this. We do not support land tax but we do not have a view, a single view, about what we would do in its stead. We are not suggesting an alternative tax. We will just leave a void.”

I do not know how you get away with it with the media when you say, “We are the party that will abolish the emergency services tax. We are the party that will abolish the water abstraction charge. We are the party that does not support land tax. We are the party that is on the record today as saying that the utilities facilities charge should not be supported because it is bad for business and bad for the town.” If you are not going to collect that \$16 million through the utilities facilities charge, where are you going to get the money? Tell us. Stop this nonsense. Stop introducing motions that do not reflect an alternative position.

The government will not support this motion. The government is determined to ensure that, in delivering government services to the extent and the quality that the people of Canberra demand and deserve, we have the revenues to meet their expectations and to deliver those services. As I said yesterday in detail, we are considering the mix of issues, the levers that affect affordability. I do not deny for one minute that land tax is a significant issue, but I am not going to adjust it on the basis of an anecdotal view expressed that this is the evil. You just need to go to the numbers—

Mrs Dunne: No-one has actually said, “Adjust it on the basis of an anecdotal view.”

MR STANHOPE: You just need to go to the numbers for the interstate comparisons. Median house rents in Australia in the last year increased by 1.9 per cent in Sydney, seven per cent in Melbourne, 16 per cent in Brisbane, nine per cent in Adelaide, 19 per cent in Perth and only six per cent in Canberra. Was it land tax in those places? Obviously not. (*Time expired.*)

DR FOSKEY (Molonglo) (11.21): In the context of any discussions about increasing the affordability of housing in the ACT, it is not possible to avoid the topic of land tax, and I thank Mr Mulcahy for raising this issue today. I will be supporting the Liberal Party’s motion, though I will not be supporting the sort of meaning that Mr Stanhope gave to it today, which is not, I believe, what the motion says.

Before Mr Stanhope starts calling me names and accusing me of believing things that I am not even stating, I want to say that I am supporting in this motion the observations in paragraph (1). There is an acute shortage of rental accommodation in Canberra, especially at the lower end of the market, and Canberra tenants are paying a high level of rent for that accommodation. I note here, of course, that in my discussions with real

estate agents they rather scarily tell me that they do not believe that Canberra rents are as high as they need to be and that there will be some major adjustments in the coming years, starting next year, which, if they are accurate about this, will see rents go up even more. The problem next year, if this is the case, will be far more terrible than it is now.

There is no doubt that the level of land tax that ACT property owners pay is high. Mr Mulcahy made that very clear and we did not hear Mr Stanhope address that issue. Considering that we have a budget that is downward in the delivery of services related to benchmarks from other states, it is interesting that it does not apply when it comes to land tax. I know from my own experience as a private market renter that land tax has quite a significant impact on housing affordability in the ACT. Indeed, I often wondered why my daughter who rents an inner urban house in Melbourne—it is certainly at least equivalent to the one that I am renting here—pays a good \$120 less a week than I do, and I would say that land tax and other charges may have something to do with that. I am not an expert but I have often wondered why the rent for highly desirable properties in Melbourne is lower than for highly desirable properties in the ACT.

I also believe that we need an urgent and open review of the land tax system. That could happen in the context of the government's affordable housing task force. Mr Stanhope implied that it is happening. However, we have no reason to believe that it is and we will not know until we see that first report in four weeks. I am looking forward to that report and hoping that it will be tabled in the Assembly and made public; otherwise, that affordable housing task force is doing the proverbial in the wind.

I was interested to note that neither Mr Stanhope nor Mr Mulcahy referred to *The wealth of home* report that was put together by ACT Shelter and ACTCOSS, because it gives quite a bit of attention to this issue, and it is nuanced attention too. It does not just say, "Get rid of land tax." It posits it as an issue and suggests more than the three alternatives that Mr Stanhope insinuated were the only ways of dealing with this issue. I have said publicly that if we want to increase the supply of affordable private rental housing we do need to look at things like concessions on land tax for low rental housing. That is what I would like to see.

Taxes are a legitimate economic tool. I know that it is not fashionable to talk this way in a sort of so-called market-led economy, but governments, if they are going to implement taxes, should be aware of their impact on the sector that they are applying them to. Taxes can be a way of steering investment a certain way. I have been told a number of times that the taxes on housing in the ACT do steer property investors away from investing in housing in the ACT.

We should also realise that there have been times when a prudent person saving for their old age—and here I am not talking about wealthy capitalists—saw it as a good idea to buy an extra property and have it as a rental property. I have been told that a very large number of the private rental housing in the ACT is housing of that type, so it is not always fair to talk about greedy capitalists who are milking the ACT economy. We need also to realise that recent federal changes to superannuation will make it less attractive for those kinds of investors to invest in housing. So let us be very, very careful how we progress.

Will we see more rental properties put on the market because they are no longer giving a good return? There is a balance to be made here between governments and the market. Frankly, I think the major mandate for a government is to deliver the services that make it easier for Canberra people to survive here economically, to use its powers to increase the social amenity of our city and, of course, to make sure that any development is as sustainable as it can be.

In 2005-06 the ACT expected to reap \$366 million from the four major ACT property taxes: rates, land tax, stamp duty and the change of use charge. Of this, land tax was going to generate \$58 million. But this charge, as with other charges, does not go back into housing in any way; it becomes one of those ways that the government raises revenue. It gets lost in revenue and we do not know how it is returned. It is really important that we have a lot more transparency in what happens to the taxes that people pay. It is much harder to justify a tax if people cannot see where the benefit is to them. I am quite sure that that is part of the reaction against the charges raised in the latest budget. Are we seeing utilities improved? Are we seeing infrastructure improved? Are emergency services going to be better? Is the water abstraction charge going to increase water efficiency? We cannot see that.

We could have a tax-free threshold to alter the relative attractiveness of low-cost properties. We could follow the practice in other jurisdictions and extend land taxes to high-cost properties, regardless of their ownership, or include second houses—I am not sure the Liberals will like this one—even though they are not formally tenanted. The additional revenue could offset cuts to lower-priced properties or other exemptions or concessions for affordable housing. We need to ensure that if we apply taxes such as land tax we do not make them an iron fist. Make them a subtle tax that helps us achieve the outcomes we want.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (11.30): I want to pick up a couple of things the Chief Minister said. The government has got itself to blame for any economic problem it has got itself into. It was left a surplus, it was left a strong economy—in fact a growing economy—and it managed to squander it in four years, as Mrs Dunne said, “spending like a drunken sailor”. And that was when it was getting record GST, record land sales and stamp duty—some \$900 million over estimates over a four-year period. So it is a bit rich for the Chief Minister to say what he did.

I also remind the Chief Minister of his surprise at the exponential growth of the public service under his administration, some 2½ thousand extra public servants having been added to the books. All he has to do is read the motion. It does not call for an abolition of land tax. It says: “calls on the government to initiate an urgent and open review of the land tax system in the ACT in order to create a simpler and more equitable land tax regime.” That is common English; it is quite plain.

There can be no doubt that land tax rates in the ACT are significantly higher than elsewhere in Australia. Indeed, the only real mystery is why the ACT government does not seem to care about this fact. Higher land tax is passed on in higher rents, so everyone pays—not just the people paying the land tax. Rents here are higher than elsewhere in Australia because the land tax regime in the ACT is significantly higher. So, again, it is rather ingenious of the Chief Minister to say that my party want to put a tax effectively

on all households. That is exactly what his land tax regime is doing. Maybe a review of this could come up with a simpler and more equitable land tax system that would assist people with low-cost accommodation.

If the government fail to support this motion, which they say they will, it will be a further indictment of their ability to manage the economy, given their record since late 2001. It also gives a true indication of their willingness to make or consider the difficult decisions required to improve housing affordability in the ACT. There can be no doubt that housing affordability is a serious issue that is impacting more and more Canberrans. Through this motion the opposition are providing an avenue for the government to address it. Just as it is not difficult to realise how housing affordability affects those looking to rent property, especially young couples, families and those at the lower end of the scale, it is not difficult to realise that investing in property is not as attractive a proposition as it once was.

We have heard from Mr Mulcahy some anecdotal evidence of the small returns an investor can expect to receive on a property in the ACT. I believe this sort of story is far from uncommon in the ACT. There is only so much rent you can charge a tenant. An article in the *Canberra Times* indicated that one fellow was getting, I think, \$13,100 worth of rent for a property in Braddon and the expenses were \$13,580. That is probably pretty well what the market can bear for a two-bedroom house, but the expenses resulted in a not very good economic outcome, and it is not all negatively geared. In some areas, with some types of houses you are simply going to pay more than you can possibly earn, because of the government rates and charges, especially land tax.

Why would a person choose to purchase an investment property in the ACT? There are numerous alternative investment options that offer significantly better returns. With the transient nature of the population in the ACT, the impact on the rental market of so many people coming to the ACT to work must be considered. If someone came to the ACT to work from, for example, another capital city and was looking to purchase an investment property, there is little or no financial incentive to do so in the ACT. If they were weighing up buying a property in, say, Perth or Canberra for \$350,000, which is slightly more than the average purchase price in Perth and slightly less than the average in Canberra, they would pay \$4,075 less in land tax each year if they chose Perth. If choosing between Adelaide and Canberra for a property of the same value, the difference would be \$4,180. In Queensland or New South Wales, land tax would not even be charged on a \$350,000 property.

I could mention any other capital city in Australia and come up with similar differences, but, put simply, land tax rates in the ACT are significantly higher here than elsewhere in the country. This is not open to debate. The Treasurer said yesterday that comparing jurisdictions was difficult because it was always hard to find, in his words, "apples and apples". But when it comes to land tax there is no debate; they are higher here than anywhere else in the country and the government must at least acknowledge this. Their refusal to do so speaks volumes of their ability to provide sensible and rational economic management.

The Chief Minister's claims about land tax made in the *Canberra Times* recently would be laughable if they were not so serious. He suggests there are no problems because the level of housing investment in the ACT is the same now as it was in 1991. Surely a

stagnant figure is nothing to be proud of, and much less to boast of. Having acknowledged the high rate of land tax in the ACT, the impact this has on both investing in housing and subsequent housing affordability must be considered. I would argue that it is significant. There is a shortage of rental accommodation in Canberra and people are paying very high levels of rent. A large number of people have arrived in the city looking to rent, and this, combined with the fact that people are discouraged from investing in property because of the high rates of land tax, is putting pressure on people right across the rental spectrum.

Reviewing—that is what I am saying; not overturning—the land tax system would lead to ways to encourage more investment in the local property market. This in turn would lead to more affordable rental accommodation. This would help our local economy. This would help the government in terms of its efforts, belated as they are, to fix up the local economy. Reviewing the land tax system would lead to ways to encourage more investment. Let us not forget also that high rates of land tax are not impacting on wealthy property investors. They hurt the mum and dad investors seeking to provide for their retirement and secure their future—the people that might buy one or two properties, people who are using that as some form of superannuation. High rates of land tax will encourage big property investors to simply look to invest elsewhere in the country. The mum and dad investors, the vast majority of investors in property, will choose to invest in something else for their retirement, and housing affordability and the rental market in Canberra will suffer as a result.

The recent commentary on rental auctions has highlighted just how critical the shortage of rental accommodation is in Canberra, and that is why I would also argue that this is not an issue that can be delayed. This motion calls on the government to initiate an urgent and open review—not something hidden in whatever housing review the Chief Minister is doing; I think he threw that one in as an afterthought. We need an urgent and open review of our land tax system to make it better for the people of Canberra, and, ultimately, for the government as well.

If the government are serious about addressing housing affordability and restricting the taxation burden on the people of Canberra, they will take note of and support this motion. But, of course, they will not. They choose to put their heads in the sand. They choose to go on their own arrogant, perverse way and they will vote against this motion—and, of course, the motion, unfortunately, will go down. If the government were serious about managing the ACT's economy responsibly, and we have all seen from their record to date that they are not, they would do as we call on them to do today and initiate an urgent and open review into the land tax system in the ACT. It is a shame and a tragedy, but I am not surprised, that the Chief Minister has indicated they will not do it.

We do not see much cooperation from this government on sensible ideas. Yesterday, for only the second time since the Assembly started, Mr Smyth had the dubious pleasure and privilege of having an opposition suggested amendment to a bill agreed to by the government. You might be a majority government, but I think it is incumbent on you to take on board good ideas put up by the opposition, Dr Foskey or whoever. It is a slur and a shame on you that you do not do that. This is a sensible motion that has nothing to do with abolishing the land tax system, which has been with us since the First Assembly. You have only to understand basic English and read the motion to see that. What it calls for is a review of that system, a review that would benefit everyone in the ACT.

MR SESELJA (Molonglo) (11.41): I would like to commend my colleague Mr Mulcahy on bringing forward this motion. It is an important issue. It is a crucial issue. The issue of housing affordability and rental affordability in this town is very important. It is very important to thousands of Canberrans.

Before I get into the substantive part of the motion, I want to comment on some of the arguments that the Chief Minister was putting forward. He referred to the revenue from land tax and said, "Are you proposing to cut it by half? If you are getting \$65 million now, you will get about 30 million then." This idea that if you go down the road of cutting rates and taxes in certain areas you will always have a proportional decrease in revenue is absolute rubbish and it is known to be absolute rubbish. Several years ago, the commonwealth government cut the company tax rate from 36 per cent to 30 per cent, by about one-sixth. Did revenue from company tax rates go down by one-sixth? No, it did not; it boomed. In fact, it is that boom that has been underpinning our economy and has allowed the federal government to give income tax relief over several budgets. So this idea put forward by the Chief Minister that if you cut it by 10 per cent you will have 10 per cent less revenue and if you cut it by 50 per cent you will have 50 per cent less revenue is ridiculous. If you went down the road of reducing land tax rates, you would get more investors into the market—a wider pool of people to be taxed. That does need to be put on the record.

The Chief Minister also went on about median incomes in the ACT. It is true that we have higher median incomes. But it is unfair to compare us to the national average, when rural areas traditionally have much lower median incomes and cities have higher ones. A comparison with Sydney, Melbourne, Perth or Adelaide would be much closer, so I do not think that was a reasonable comparison to make.

This goes back to the argument we were having in the last sitting of the Assembly from the Chief Minister: "If you had stuffed things up the way we have, what would you now do? If your priorities had been so out of whack for the last five years and you had not realised that you had 2,000 extra public servants and you had spent money on all sorts of projects and you had managed the territory's finances in such an inefficient manner, what would you now do?" We would not have done what this government have done, and we will not do that when we are in government. We will manage things in an efficient way. We will prioritise. We will look at tax relief where it is appropriate and where it can be funded. But we certainly will not do things the way that this government has and we certainly would not put the territory in the fiscal position that it is now in as a result of this government's poor decision making.

The substantive part of the motion is about an acute rental shortage. I do not think there is any dispute about that. We read about the queues of people for prime rental properties—queues of up to 100 for one or two rental properties, which is crazy. There is no doubt that we have an acute rental shortage in the ACT and that that is an issue. We have people sleeping out and queuing up to get these properties. If you speak to any young people who have looked to rent a property in the ACT recently, they will tell you countless stories about the difficulty of finding a property. The discussion recently around auctioning rental properties is symptomatic of a rental crisis; there is no doubt about that. We would not have those kinds of discussions if it had not got to this point.

Whatever one thinks of the merits of that idea, it is symptomatic of an acute rental shortage.

The second part of the motion talks about the high levels of rent in the ACT. The ACT does have the highest levels of rent in the country. What are the impacts of high rents and low vacancies? Firstly, we know that the poor are the most disadvantaged by high rents and low vacancy rates, because they are simply squeezed out of the market, and more people are pushed into the public housing market. Secondly, it is more difficult for us to address our skills shortage, as it is pretty difficult to attract workers with the Live in Canberra campaign. The commonwealth is creating the jobs, but it is very difficult to attract people here if they cannot find a place to live. That clearly undermines our ability to address the skills shortage. Thirdly, it makes it more difficult for couples to save to buy a house when they have to fork out \$350 or more a week for rent.

The next part of the motion talks about relatively high levels of land tax, and this has been spelled out by Mr Mulcahy and Mr Stefaniak. The figures speak for themselves. Land tax on a \$350,000 house in the ACT is \$4,900; in New South Wales, nothing; in Queensland, nothing; in Tasmania, \$1,800; in South Australia, \$720; in Victoria, \$500; and in Western Australia, \$825. That is a massive disparity in the rate of land tax in the territory compared to other jurisdictions. In an economy where people are very choosy about where they put their money, about where they choose to invest, they invest in the property market or in the stock market. If they choose to invest in the property market, do they go to the ACT, New South Wales or overseas? There are many options for investors these days. If our rates are so far out of whack, it has an impact on the number of people looking to invest in the ACT, and consequently on the level of rents in the ACT; thus the shortage of rental properties that we are now experiencing.

The last part of the motion talks about the impact that high levels of land tax have on housing affordability in the ACT. Housing affordability is something we need to be concerned about. Land release is a big part of that equation and we have been arguing for some time that the government at least needs to have land ready to come online for when there are spikes in demand. It has not done that. It is now playing catch-up and that is, of course, contributing to the problem of housing affordability in the ACT.

This motion calls for a review of the land tax regime in the ACT. We are not calling for it to be abolished. We are not even calling for it to be halved. We are talking about reviewing it. Despite what the Chief Minister thinks, you can sometimes cut taxes and not necessarily cut revenue by the same proportion. In fact, sometimes revenue even increases. It has been known to happen. It has happened federally. In that context we need a good, hard look at why our land tax needs to be so much higher than in the rest of the country, so out of whack with other jurisdictions. It is reasonable to look at how that impacts upon renters and upon investment in the ACT.

Why have we had a stagnant growth rate in the ACT over the past few years? This may well be part of the equation, so we need to look into it. The Chief Minister was, once again, cherry picking. He said yesterday that before land tax there were 20 per cent investment properties and after land tax now there are still 20 per cent. Of course, a lot has happened in the ensuing time. We have seen changes to things like capital gains tax, which have had an effect, of course. It is ridiculous to say that land tax has had no impact. It has had an impact; it is having an impact. It is part of the equation in why

young Canberrans are finding it so hard to get into the rental market; why many young Canberrans are forced to sleep out and queue to try to find reasonable rental properties that they would have ordinarily expected to find in years gone by.

I commend this motion. It is a sensible motion. I hope we will get a reasonable debate—not the kind of rubbish we heard from the Chief Minister—and a review of this, otherwise the government need to come back and tell us how they are going to justify this continuing huge imposition and how they will defend the difficulty that many young Canberrans, in particular, are experiencing in trying to find affordable housing in the ACT.

MRS DUNNE (Ginninderra) (11.51): As my colleague Mr Seselja said, this is an important motion. It is an important part of the discussion about addressing one of the elements of housing affordability and the crisis in rental accommodation in particular in the ACT. We heard what was said this morning in the Chief Minister's rant and it is necessary to correct the record. The Chief Minister said that the Liberal opposition would abolish the water abstraction charge. He said, "This is another one of the things that they would do, and where are we going to get the money from if you abolish the water abstraction charge?"

First of all, I would like to reiterate the point made by Mr Seselja. The Chief Minister asked us what we would do. This is the same as the question I was asked the other day about schools. I was asked, "What would you do, Mrs Dunne, about closing schools?" I have said consistently that we would not say for four years that everything in the garden is fine. We would not say that we do not have to worry about these things. We would not say that we are not going to close schools and then close 40. We would not say that nothing is wrong. We would not suddenly say, "Oh gee, we have got 2,000 more public servants than we thought we had. We have got this huge deficit and we have to stare it down somehow." We would be responsible financial managers. You cannot take the problems that this government has created, foist them upon us and say, "What would you do in the same circumstances?" because those same circumstances would not exist.

I need to put these remarks on the record. I hope that I do not have to do so consistently but I have to correct the misinformation we heard from the Chief Minister. At no stage have I or any other member of the opposition said that we would abolish the water abstraction charge. For 2½, probably three or maybe even four years I have consistently and regularly questioned the legality of the water abstraction charge on the basis that if you collect the money, which is called a water abstraction charge, and you do not allocate it for managing water, this action may be illegal. What we are seeing in this territory is money collected from the water abstraction charge not being allocated to water resource management. If that is the case, it may be illegal.

This is a live issue which I have raised consistently for three or four years. I have questioned the Chief Minister and the minister for water resources on a regular basis. The Chief Minister is always very cute about it. He says, "We will spend it wisely; we will spend it carefully." When you challenge him he knows that he is on thin ice when it comes to the legality of the water abstraction charge. We have never said that the charge would be abolished. We have never said there is not a place for the water abstraction charge. The water abstraction charge was, in fact, initiated by a Liberal minister for water resource management. It was initiated for water resource management. All of the

advice that comes to me and presumably to the Chief Minister is that if it is not allocated for water resource management there may be a problem with its legality. This Liberal opposition does not oppose the water abstraction charge but it is very cautious about the way this government spends it.

MR MULCAHY (Molonglo) (11.55), in reply: Mr Speaker, I am thrilled that Mr Barr is back in the chamber, because at least we will now have somebody on the other side who understands a little about economics and has some economic literacy. Before the minister came into the chamber, Mr Seselja was referring to the concept that there is no gain whatsoever from tax reform and tax reductions. Of course, Mr Seselja refuted this very quickly by citing the wonderful company taxation reforms the Howard government has initiated. The Howard government was able to reduce tax levels and, in fact, generate an increase in revenues, because suddenly some of the mechanisms available to people were no longer attractive.

I was reminded by Mrs Dunne about how the Thatcher government in the UK some years ago decided to reduce the exorbitant personal income tax rates of 80 to 90 per cent. As a consequence of those reforms, a whole lot of money that had been parked in all sorts of islands and places around the globe came back into the UK because the income tax rates no longer became such a burden on people trying to generate income in the UK. In fact, the UK economy gained from those tax reforms. The Chief Minister trots out in this place the simplistic notion that if you lower land tax you will lose money and all the hospitals will fall over. I do not think I would even say this is economics 101. I do not think he would get a grading for such a simplistic analysis of what the opposition is putting forward.

I was delighted to hear Dr Foskey's comments. Dr Foskey and I may be not perceived as being of an identical ideological view in most matters; there is a smidgen of difference on one or two matters. However, I was concerned to hear that my staff were cheering when she spoke. I hope that does not amount to disorderly conduct upstairs, Mr Speaker—I will have to urge them to be restrained. But Dr Foskey saw through the Chief Minister's rant, to use Mrs Dunne's terminology, because she realised that he was wanting to reconstruct what I am putting forward here today, what the opposition is advocating, and in fact not tackle the issue.

We have identified a serious issue. What is happening is hurting a lot of people, and not just the people Mr Seselja spoke about who might be forced to sleep outdoors. I have spoken briefly on that issue before in this house. Certainly, a couple of members of this side of the house have gone out at night and helped to deal with the needs of homeless people and others. But I am also concerned about young people who want to come to Canberra and work here. What often happens when people are offered employment is that they come to the city to check it out and see if they like it. They also check the people they are going to work with. Usually they look at the *Canberra Times* to determine the availability of rental accommodation. I have heard too many stories of people who have knocked back jobs because it is too hard to get rental accommodation or it is too expensive here, so they move on.

To say, "We are not going to tackle land tax, and the opposition's suggestion that the only way to deal with it is to abolish it is a terrible idea," shows a very limited outlook in terms of solving problems in our community. Are we seriously being told here that,

despite there being a crisis in rental accommodation, we should do nothing? Are we being told to just sit back and ignore it? We are being told: "I will have a committee look at it but I actually do not believe in doing anything. I do not want to reform it, I do not want to reduce it and I do not want to make it more competitive." This is just an extraordinary view. We have heard yet another tirade, and they wear thin after a while. I have worked out my Christmas present for the Chief Minister. I am going to get him the video *Anger Management* because I reckon if he watches it he may find some relationship between the story line and his performances in this place.

But these are serious issues that affect people. This is not just a group of wealthy landlords. Dr Foskey obviously gets out and about in her electorate, and I give her credit for that too. She meets people around Hughes and other places, as I do. I have talked to people at the shops who have said, "Look, I am widowed and I have a second place. This is what I have got basically to keep myself going." Then they say to me that they just cannot make it work. It is fine when you have inflation like they might have in Latin America where values are rapidly growing every day. We have had strong capital growth in the ACT in the past six years, thanks in large part to the national economy and the growth in employment generated by the 5,000 to 7,000 jobs the commonwealth is creating here.

Can anybody on the other side of the chamber with any understanding of economics—I know that the minister does have a very sound understanding of economics; unfortunately he cannot implement it with this government—seriously tell me that if you were thousands and thousands of dollars worse off investing in property in the ACT, you would not go somewhere else where it is cheaper? The other day the Chief Minister got up and said, "It is better here. It is better than Victoria. The opposition likes to quote Victoria. We do not aggregate like they do in Victoria. We tax each house separately." So what happens? Let us look at the ACT. If you have a property worth around \$350,000, you will get hit \$4,900. If you have two such properties in the ACT that will add up to two lots of \$4,900. So you are up to \$9,800. Go down to Victoria and see what you would pay there. If we add those two properties together and if the next scale is \$750,000, in Victoria you will be paying \$1,930 tax. So where is the great concession in taxing collectively?

How could you convince anybody that they should pay \$8,000 more tax on their investment exercise by buying in the ACT rather than going down to Melbourne and buying a couple of properties there? You would either have to be stuck in the ACT market or be given some very poor advice from your tax adviser. There are people who are, in effect, stuck here and want to make Canberra their ultimate home. There are people in the Department of Foreign Affairs and Trade who use Canberra as their base and buy a home here. Some people in the Australian defence forces who are overseas at the moment in some pretty tough environments are basically getting slugged when they rent out their home.

Mr Barr: It is leasehold land, Richard, so they do get a tax deduction, thank you.

MR MULCAHY: Mr Barr says they get some incentives here but I am putting it to you that there is no incentive to invest in rental property in Canberra under this current regime. It has to be put on a competitive basis.

I am not advocating the abolition of land tax. Let me make it very clear that the opposition has not advocated the removal of the water abstraction charge. Mr Barr may laugh but there are some serious legal questions about the water abstraction charge. In particular, there are serious legal questions related to constitutionality. Since being elected I have sought to get a full and frank tabling of all the legal advice, and it is being withheld. So that has got to make you think there are legal doubts about this tax. I can understand that cabinets have the right to retain these things but what troubles me is that down the track we may end up with a situation like the 1997 X-rated video case where suddenly the territory gets whacked financially because someone has not adequately addressed the issue.

Mr Pratt's statement has been cited. Mr Pratt expressed an opinion about the tax, and that is his prerogative. It is not opposition policy to abolish that tax. He expressed a view that he would like to see it go, and he is entitled to that view. I have views on policies that I would like to see changed but until they are formally adopted by my party they do not become the policy of the Liberal Party. This is just like the policy of the opposition on schools. I do not recall, Mr Speaker—and particularly in respect of you, Mr Speaker—unanimity of opinion about the government's position on schools. I understand that people quite stridently expressed their personal views. But, of course, the prevailing position is that set out in the policy of the Labor Party, and that is what you are saddled with whether you like it or not. What individuals might feel about a particular raft of initiatives does not in fact constitute final promises and constituted policy.

Be assured that the opposition, unlike this government, will have a well-defined economic program at the election in 2008. We will cost our promises. As Mr Stefaniak pointed out, we will cost our policies honestly and accurately and we will not misrepresent. Of course, as Mr Stefaniak said, we will not be getting ourselves into this awful mess that the territory government has found itself in. They got themselves into this mess, they had to dream up taxes to pay for it and then they are saying, "Well, nothing can be improved." It was not until the Standard and Poor's report came like a rocket towards this government that panic set in and they knew they would have to do something radical to restore their credibility or lose their rating.

The opposition is very comfortable about where it stands on promises. It is very comfortable about the economic management that we will bring to the territory. We will tackle the hard issues such as the rental crisis and housing affordability. I thank Dr Foskey of the Greens for their support on this proposal.

Question put:

That **Mr Mulcahy's** motion be agreed to.

The Assembly voted—

Ayes, 7		Noes, 8	
Mrs Dunne	Mr Seselja	Mr Barr	Mr Gentleman
Dr Foskey	Mr Smyth	Mr Berry	Mr Hargreaves
Mr Mulcahy	Mr Stefaniak	Mr Corbell	Ms MacDonald
Mr Pratt		Ms Gallagher	Ms Porter

Question so resolved in the negative.

Tertiary health education

MS MacDONALD (Brindabella) (12.08): I move:

That this Assembly:

(1) notes:

- (a) the importance to the ACT community of investing in health education to meet the increasing demand for medical professionals; and
- (b) the need for a sustainable health workforce; and

(2) recognises the Stanhope Labor Government's continued commitment to investing in tertiary health education.

Mr Speaker, Australia is facing a chronic shortage of medical professionals across all sectors of the medical industry. Students are turning away from studying medicine due to exorbitant fees. Urgent action needs to be taken to address this problem and ensure that the demand for health professionals in the ACT and Australia can be met. Sadly, the commonwealth government is not taking the necessary measures to make tertiary education more affordable and to increase university places and, in particular, HECS places for our doctors and nurses of the future. The ultimate responsibility for this issue lies with the commonwealth. However, Mr Speaker, the Stanhope Labor government is doing what it can in this area, as evidenced by the significant investments that have been made in health education in the ACT over the past several years.

The Stanhope Labor government's investments have spanned both the tertiary and vocational training and education sectors and have encompassed the full spectrum of health professions. ACT Health has established preceptor positions in both radiation oncology and pharmacy. Preceptors work closely with students and existing staff to plan the orientation, clinical practice and learning experiences, monitor progress and provide feedback on student performance. These positions optimise the learning experience for students on placement and play a valuable role in counting professional development with staff.

In an effort to make smoother the transition between undergraduate and postgraduate studies, the medical appointments and training unit has also recently been established. This unit will foster the linkage of undergraduate and postgraduate medical education and training through the appointment of an associate dean of postgraduate medical studies. ACT Health also provides postgraduate education programs for nurses and midwives in critical care and neonatal intensive care in conjunction with the University of Canberra. The ACT government has established 11 dedicated education units to provide a structured learning environment in a partnership between ACT Health and the University of Canberra for undergraduate nursing and midwifery education and support. A dedicated education liaison nurse is assigned for each unit and this nurse supports and supervises students in the workplace.

To address shortages in the mental health sector, collaborative programs between Mental Health ACT and La Trobe University have been established. These programs include postgraduate educational courses for both registered and enrolled nurses. Registered nurses undertake the postgraduate diploma in nursing science in mental health. As part of their program, enrolled nurses complete a single unit subject: introduction to mental health nursing. Students in the programs are paid through their employment and have course fees paid by Mental Health ACT. Seven registered nurses completed the program in 2004, five of whom are still employed by Mental Health ACT. Another three nurses completed the program and graduated in August 2006, and two will graduate in February 2007 and two in August 2007. Five enrolled nurses also commenced the program in 2005, with four having completed it and remaining as employees of Mental Health ACT.

ACT government agencies have also provided clinical placements for students enrolled in allied health, medical and nursing and midwifery courses. Further, \$500,000 was allocated across four years to provide a refresher or re-entry program for nurses and midwives who wish to return to work after a period of absence. The refresher nurse program was accredited in September 2005 and five registered nurses have completed the course, another four are progressing and a further 10 are new starters. The refresher midwife program was accredited in April of this year and the first midwife refresher started at that time. Two more midwives are currently undertaking the theoretical component of the program and are about to begin their clinical placement. Three nurses are also currently undertaking the re-entry program at the University of Canberra.

The overseas qualified nurse program targets nurses who have experience and knowledge from their countries of origin that can be developed for safe and competent practice in Australia. This program was accredited in September 2005. Four participants have successfully completed the program and are now employed by ACT Health. Three participants began in March, two in April and six in June. The establishment of 21 full-time equivalent new clinical development nurse positions across the ACT has also provided much needed clinical support for ongoing learning and skill development.

The postgraduate nursing and midwifery scholarship scheme has been offered since November 2000. ACT Health provides \$500,000 per annum to assist nurses and midwives to undertake postgraduate studies—\$300,000 of this is provided for mental health and \$200,000 for all other nurses and midwives. Seventy-eight applications were received for the 2006 scholarship funding compared to 50 in 2004, equating to a 56 per cent increase.

In recognition of the increased demand in the general scholarship scheme, the Positive Professional Development Pathway scheme, or the PPDP scheme, was introduced in October 2005. The scheme provides advanced payment of course tuition fees which are then reimbursed through regular fortnightly payroll deductions during the course of study. To date, four staff have accessed the scheme—two enrolled nurses, one health professional and one administrative officer. It is expected that uptake will increase as the scheme becomes better known.

ACT Health also provided scholarships for enrolled nurses to undertake the new enrolled nurse medication administration course at the Canberra Institute of Technology. Successful completion of this course enables enrolled nurses to increase the scope of

their practice and to administer most medications. ACT Health has also provided 12 scholarships each year to nursing staff who are in the final stages of completing higher degrees—that is, masters or doctorates. These scholarships allow for six weeks paid leave, and the first three were awarded in semester 1 of 2006.

Mr Speaker, addressing shortages within the medical profession is not a simple task, and many measures and initiatives need to be implemented to ensure numbers increase to meet the demand of our community. It is evident from the numerous and varied initiatives and programs that have been implemented that the ACT government is committing to ensuring a sustainable health work force into the future. Through this commitment, the government is ensuring that the ACT will have a significant number of medical professionals who will be able to service the ACT community now and into the future. Mr Speaker, I commend this motion to the Assembly.

MR SMYTH (Brindabella) (12.16): Mr Speaker, yet again Ms MacDonald has put a motion to this place that looks to be important—I think it is something to increase her profile—but which, upon analysis, is simply shallow, incorrect and lacking critical detail. It is the sort of thing we have come to expect from Ms MacDonald. Ms MacDonald says that she wants to note the importance to the ACT community of investing in health education to meet the increasing demand for medical professionals. I think her motion should use the words “health professionals” because either we are only talking about doctors or we are talking about all professionals.

She goes on to say in paragraph (2) of her motion that the Assembly “recognises the Stanhope Labor government’s continued commitment to investing in tertiary health education”. Let us look at the Labor government’s commitment to investing in tertiary health education, and where better to start than the government’s own annual reports. Each annual report of ACT Health contains a section on training and development. The statistics for 2004-05 show that the government spent \$1,082,907 in sessional salary costs on training and development. This accounted for some 44,000 hours, and about 16,275 staff attended various sessions.

The numbers for 2004-05 are good and admirable. But when you look at the annual report for 2005-06, which we have just received and which Ms MacDonald has failed to read, as she so often does, what has happened to the numbers? Remember that we spent \$1,082,000 in 2004-05. How much was spent in 2005-06? The amount dropped: \$761,998. There is a reduction of 30 per cent in salaries. That is not a commitment to increasing; that is not a commitment better addressing the shortage. The number of session hours dropped from 44,000 to 37,000 hours, a reduction of 14 per cent. Indeed, the number of participants dropped from 16,000 to 9,200—a 43 per cent drop. Ms MacDonald, if you are going to come in here and move motions that say we have a continuing commitment, you need to do the analysis and you need to do the work.

If we look at table 3 on page 54 of ACT Health’s annual report for 2004-05 we find that, all up, \$1,737,672 was spent on education, training and development—again, an admirable sum of money. What was it in 2005-06? It was \$1,752,467, an increase of some \$10,000 or \$12,000—an increase of 0.8 of one per cent. But that is not the real measure. If you look at the amount as a percentage of the all-up health budget, you see an enormous decline of nine per cent because \$1.7 million over the total health budget in 2004-05 of \$636 million means, of course, that 0.273 of one per cent was devoted to

training. However, in 2005-06 the amount is \$1,752,000 over \$697 million, or 0.25 of one per cent. There has been a nine per cent reduction in real terms on their commitment to education and training.

Ms MacDonald has come in here and moved a motion which says, "Oh what a good job we are doing." She pats the government on the back and says, "Gee, look at us," and quotes a number of positions. Yes, the positions are there but they are delivering less. On a two-year comparison, this government has committed less money to ACT Health for the tertiary education of all of our health professionals. We know that the situation will get tougher in the current financial year because they are winding back on it yet again. Ms MacDonald gets up here and moves a motion to recognise the Stanhope Labor government's continued commitment to investing in tertiary health education. However, I do not see how a reduction in hours of 14 per cent, a drop of 43 per cent in attendances and nine per cent less of the health budget being spent on education are a continuing commitment.

We forget that we have a partner in health. I looked in vain for references in the motion to the commonwealth government and what they might have done. I expected Ms MacDonald to jump up and claim that her government had set up the medical school. But if you want to see real commitment to education, and tertiary education in particular, you should look at what the commonwealth has done. I will not go through what has been done during the 10 years of the Howard government; I will just go through the last couple of years. I have an undated press release entitled "The New National Priorities" which informs us that the commonwealth government has reduced the fees charged in nursing. So there you go: the commonwealth government has reduced the fees in nursing.

Let us talk about tertiary places, let us talk about tertiary education—for the benefit of Ms MacDonald, that means education at the universities. In January 2004 the ANU medical school received a \$2 million boost to enable trainee doctors to receive advanced training in information and communications technology. This, of course, will be of great assistance in the future. Someone in a different city will be able to view a scan of some description or indeed track a patient's medication. Just recently, in July 2006, extra places were made available. And how did the ACT fare? The Australian National University got 13 new places, 10 of which are for clinical psychology. The University of Canberra got 15 new places to establish 15 master's degrees in clinical psychology. The Australian Catholic University at the Watson campus picked up 50 bachelor of nursing places—I was at the launch of that with the minister—and the University of Canberra picked up 40 general nursing places.

It is interesting that we do not have any reference in the motion to the Howard government. That being the case, I will do the right thing and move the amendments that have been circulated in my name. Mr Speaker, I seek leave to move amendments Nos 1 and 2 together.

Leave granted.

MR SMYTH: I move:

“(1) subparagraph 1 (a), omit ‘medical’, substitute ‘health’; and

(2) add new paragraph (3):

‘(3) recognises the Howard Liberal Government’s contribution through:

- (a) increased health funding;
- (b) funding medical training places at the ANU medical school; and
- (c) funding additional nursing places at the University of Canberra.’”.

The first amendment substitutes the word “health” for the word “medical” in subparagraph 1 (a). I assume we are not just talking about doctors in this motion, given the fact that most of Ms MacDonald’s speech was taken up with talk about nurses. Of course, nurses are health professionals, as are other health workers. So, just for the sake of accuracy, that first line has to be changed.

My second amendment seeks to add a new paragraph which recognises the Howard Liberal government’s contribution to tertiary health education in the ACT through its general increases in health funding. The amount of money that the ACT receives from the federal government under the hospitals agreement increased significantly over past years. That money helps to balance the health budget and allows us to send our nurses, allied health professionals and doctors off for training.

Subparagraph (b) of proposed new paragraph (3) calls for the Assembly to recognise the Howard Liberal government’s funding of medical training places at the ANU medical school. Of course, we all know that is a Liberal Party initiative. The school came into being in 2004 with 80 places and will grow to 320 places by 2007. My amendment acknowledges the fact that the federal government is funding these places. Paragraph (3) (c) speaks about funding additional nursing places at the University of Canberra. Indeed, in 2005 there were 40 general nursing places at the University of Canberra, let alone the new places that have gone to the Australian Catholic University. My amendments seek to set the record straight. I am not going to bother to remove paragraph (2) of Ms MacDonald’s motion, simply because the government does put substantial money into health education. However, I think Ms MacDonald’s motion has to be put in perspective.

It is interesting to note that recent statistics show that, except for podiatry, most of the numbers of professionals in the ACT have gone up. According to *Australian Capital Territory in Focus*, a recent ABS publication from 2006, chiropractor numbers have gone up, dental hygienist numbers have gone up, dental specialist numbers have remained the same, as have dental technician numbers, dentist numbers have stayed the same and medical practitioner numbers went up from 1,945 to 2,046 in 2005. Only podiatrist numbers have declined—from 46 in 2004 to 40 in 2005. If you look at the statistics by occupation you find that in almost every specialty the number has either remained the same or has increased. That is not to say that we do not need more professionals. I think we all acknowledge that we need more, particularly in the area of general practice and nursing. But that is not going to be addressed by the significant decline the health budget has suffered under the Stanhope Labor government in the last two years in respect of training to assist our people to upgrade skills and return to work.

I am sure that Ms MacDonald will have an answer to all of this. I am sure she will scurry away at lunchtime and read the annual reports. I cannot wait to hear the answer as to how she justifies “continuing commitment” being a nine per cent reduction in training in real terms, a 14 per cent reduction in hours allowed, a 43 per cent reduction in attendance by staff and a 30 per cent reduction in the amount of money that is spent inside the health department budget in terms of moneys for staff attendances at training sessions.

On the other hand, we need to compare this commitment to the federal government initiatives that have seen enormous increases to the ACT budget in funding under the Australian health care agreement. In 2003-04 the ACT received \$98 million; it received \$104 million in 2004-05, \$107 million in 2005-06 and \$115 million in 2006-07; and it will receive \$118 million in 2007-08. The total amount over those five years is \$544 million. So you can see that under the 2003-08 Australian health care agreement the Australian government has provided significant additional funding to the ACT. It is a shame that over that period the Stanhope Labor government has reduced the spending on health training inside the department, particularly inside the hospitals.

Ms MacDonald spoke about some of the specialties. It is quite interesting to compare the mental health figures. In 2004-05, 429 staff attended education and training sessions in respect of mental health. In 2005-06 the number had dropped to 331—429 down to 331. The sessional salary cost in 2004-05 was \$46,000 but the actual cost had risen to \$51,000. So what we are not doing is keeping abreast of the costs of these training courses. I could give more examples but I have run out of time. However, it is quite clear that what Ms MacDonald has put forward is inaccurate and incorrect, and she should correct the record.

Debate interrupted in accordance with standing order 74 and the resumption of the debate made an order of the day for a later hour.

Sitting suspended from 12.31 to 2.30 pm

Questions without notice

QEII site—sale

MR STEFANIAK: My question is to the Minister for Planning and it relates to the sale of the QEII site in the city. Minister, yesterday you categorically ruled out that the QEII site had been sold. Will you also categorically rule out that no deal or arrangement has been entered into with a particular developer regarding this site?

MR CORBELL: Mr Seselja asked me the same question yesterday and I have answered that question.

MR STEFANIAK: Mr Speaker, I have a supplementary question. Minister, why do you continue to avoid answering this question?

Mr Seselja: You haven't answered it, Simon. You didn't answer it yesterday and you haven't answered it today. What are you hiding? Why won't you answer it?

MR CORBELL: I answered it yesterday. Mr Stefaniak may not like the answer—you may not like the answer, Mr Seselja—but I answered the question yesterday and I have nothing further to add.

Bushfires—front-line vehicles

MR SMYTH: My question is to the minister for emergency services. Minister, in response to a question I asked of you yesterday about vehicle maintenance, you said:

... currently there are two vehicles that are unavailable because of a requirement for major suspension work, including the replacement of springs, on those vehicles.

Minister, when will those two vehicles be operational? How long has the RFS been unaware of the need for maintenance on these vehicles? How long have you been aware of the need for maintenance on these vehicles? What action have you taken to ensure that these vehicles will be operational as soon as possible?

MR CORBELL: I can advise Mr Smyth that the vehicles that are currently unavailable are Molonglo 10, Gungahlin 10 and Parks 11. They are all tankers, two of which belong to the RFS and one of which belongs to the departmental brigades of the Department of the Territory and Municipal Services. Molonglo 10 has been unavailable for approximately eight weeks. This vehicle has had suspension problems. It is currently on its way to Sydney for repair and is expected to be available by the end of this week.

Gungahlin 10 had, again, suspension problems which were identified during its response to the fire in the Namadgi National Park a couple of weeks ago. As with Molonglo 10, this vehicle is on its way to Sydney for repair and is expected to be back by the end of the week. Parks 11 has a clutch problem. It has been off the road since Friday, 13 October. The ESA workshop is currently awaiting parts. That vehicle also is expected to be back on the road later this week.

That is the status of those vehicles. I cannot advise members how long the RFS has been aware of these issues. How long have I been aware of them? I have been aware of these issues since earlier this week in relation to these specific vehicles. The maintenance of vehicles is an operational issue for the RFS and the ESA. I do not interfere in operational decisions of the ESA.

MR SMYTH: Minister, are there any light units or command vehicles that are not operational due to a lack of maintenance or that it is known now no longer comply with OH&S standards?

MR CORBELL: I am not aware of any light units which are currently unavailable. The RFS and the ESA continue to do an assessment of the safety of vehicles, given the age of some of the vehicles. That may or may not have identified issues that I am not aware of. That is my understanding of the state of play at this time.

Prison—funding

MR SESELJA: My question is to the Attorney-General and it is regarding the ACT prison. Minister, you announced this week that you would be unable to deliver the prison

according to your original plan without blowing the budget and that therefore the prison will now house 300 rather than 374. Minister, if 300 is an acceptable number and obviously cheaper to build, why was this not the number in the first place?

MR CORBELL: I find it very interesting that Mr Seselja believes that we are going to fill this prison up overnight. Indeed, Mr Seselja has been in the media in the last couple of days saying, "This is terrible. We're going to spend all this money and it's going to be full in 10 years." I would like to draw Mr Seselja's attention to the comments made by his leader, Mr Stefaniak. On only 25 September this year, Mr Stefaniak said that the prison should not proceed because the government would not be able to fill it. He criticised the ACT government for not pursuing New South Wales on whether or not their prisoners could be accommodated in our prison. We have this interesting position from the Liberal Party: Mr Stefaniak thinks there are not enough prisoners to justify a prison and Mr Seselja says it will fill up too quickly. This is the sort of confused policy setting that we have from the Liberal opposition.

The numbers are very clear and they are outlined in the most recent Treasury projections, which work on three scenarios. The low scenario assumes that the number of prisoners remains constant over the next 40 years, with a forecast average of 220 sentenced prisoners. The medium scenario assumes a constant imprisonment rate, and here the average number of prisoners is forecast to be 266, and the high scenario assumes a growth in numbers with a forecast average of 275 prisoners in 2043. That is the most recent ACT Treasury projection.

The real challenge is this: do the Liberals believe that we have too many prisoners or not enough? At the moment Mr Seselja says, "There will be too many prisoners; they will fill the jail up too quickly. What a waste of money!" Mr Stefaniak says, "There are not enough prisoners. We will never fill the prison up. What a waste of money!" Mr Speaker, which one is it? Which one is it, Mr Stefaniak? Does Mr Seselja agree with Mr Stefaniak, does Mr Stefaniak agree with Mr Seselja, or is there a third scenario, a third reasoning, that we are yet to hear from the Liberal Party? This just highlights the very sad state of affairs that exists in the Liberal opposition on this project.

On this side of the house we state clearly and categorically that we as a jurisdiction must take responsibility for our sentenced prisoners. We as a jurisdiction must take responsibility for those people who are currently housed in remand facilities that are completely inadequate. We as a jurisdiction have a moral and social obligation to provide a place of proper rehabilitation for people who are sentenced for crimes committed in the ACT. That is what we have set out to achieve.

The real challenge now for the Liberal Party is to explain how they are going to pay for all their election commitments without breaking a legally binding contract on the construction of the Alexander Maconochie Centre.

MR SESELJA: I have a supplementary question, Mr Speaker. Minister, has the provision of a needle exchange and tattoo parlour been approved, and will this be cut given the budget circumstances?

MR CORBELL: No decisions have been made about either of those issues raised by Mr Seselja.

National Multicultural Festival

MS MacDONALD: Mr Speaker, my question is to Mr Hargreaves in his capacity as Minister for Multicultural Affairs. Minister, how are plans going for the 2007 National Multicultural Festival, and what does it mean for the Canberra community?

Mrs Dunne interjecting—

MR HARGREAVES: I thank Ms MacDonald for her question, and I thank Mrs Dunne for her support of multiculturalism in this town. It knows absolutely no bounds.

Mr Speaker, I am very pleased to inform you and all members of the ACT Legislative Assembly that planning for the 2007 National Multicultural Festival is well ahead of schedule. The government has provided the same funding for next year's festival as for this year's. I am certain that next year's festival will be the biggest and brightest on record. The Office of Multicultural Affairs puts a great effort into mobilising the community and spreading the available funds to leverage additional funds.

At this point I would like to commend Domenic Mico from my department for his extraordinary efforts in this regard, and Nic Manikis as well—he has done some magnificent things around the embassies. An amazing array of events have already been scheduled, including the Fyshwick Food and Dance Spectacular on 10 February, ActewAGL Contact Canberra, the Greek Glendi and Taste of the Arts on 11 February, the Pacific Islander Showcase and Carnivale on 17 February, as well as Chinese New Year celebrations on 18 February.

The 2007 event will also include a very special gala dinner on 14 February, hosted by Canberra's newest peak multicultural group—the Canberra Multicultural Community Forum. The event will involve our city's rich and vibrant diplomatic corps and has been organised by the CMCF in collaboration with the Office of Multicultural Affairs. This is another example of how the ACT government is working with the community to ensure that all Canberrans have the opportunity to express and explore our unique diversity.

In terms of the festival program for 2007, festival staff will be working hard at securing local, national and international acts to entertain the masses at a series of theatre productions and concerts during the two-week extravaganza. This includes an exciting program of theatre from Europe, comedy, world music and classical concerts. There will also be an expanded Greek Glendi. The annual National Multicultural Festival is now firmly entrenched in the ACT as our second biggest annual event—the first, of course, being Floriade.

Research conducted by the University of Canberra during the 2006 festival found that there were more than 165,000 attendances at the dozens of events on offer across town. This included more than 60,000 individuals at the one-day food and dance spectacular, at which delicious food from countries across the world was on offer. The survey also found that there were high levels of satisfaction with the festival from attendees and participants. Also, most people who attended the event said they would highly recommend it to others.

This just goes to show how important the annual National Multicultural Festival has become. Even though it is called the multicultural festival, it in fact builds social cohesion through bringing contributions and visitors together in a major social celebration. I think we need to acknowledge that, through the work of the Office of Multicultural Affairs and our multicultural community, this festival now enjoys a high national reputation. We get inquiries from all over the country. I believe that we in Canberra are certainly unique: the most successful multicultural community in Australia and in the world. This is our opportunity to showcase that fact. We are going to do so with some aplomb in 2007.

MS MacDONALD: Mr Speaker, I ask a supplementary question. Minister, given the importance of the festival on a national scale and the growing popularity of Canberra's second biggest event, how much financial support has been offered to fund this important event by governments, agencies and business?

MR HARGREAVES: Mr Speaker, as the festival continues to grow each year, so too does the support and involvement of the local business community, again demonstrating that what we have in common is more important than the differences between us. Our sponsors this year range from stalwarts such as the tradies club, which donates \$100,000 annually, ActewAGL, the Hellenic Club, the Fyshwick Fresh Food Markets, the Labor club and Australia Post to several new sponsors. This year we are also excited to welcome on board new sponsors, including Ali Baba, of which Mr Smyth has very nearly a familial connection, and the Australian National University. The support of these sponsors truly helps to make the festival the fantastic event that it is.

In 2007 more than \$280,000 in cash and kind will be provided by the festival's sponsors. On top of this the ACT government will provide \$280,000, bringing the total funding of the festival to \$560,000. The ACT government will make further contributions through the multicultural grants program in which communities have been applying for funding to stage shows and participate in the festival. Sponsorship negotiations are also continuing, with the festival now only four months away.

The additional money from sponsors ensures that the many features of the festival remain vibrant and open to all. But while the ACT government and local business annually make a significant contribution to the festival, it is the input of our many diverse communities that truly makes it come to life. From performances to volunteers assisting staff, our city's annual national multicultural festival is only made possible with the assistance of those individuals. I would like to take the opportunity to thank all of those involved in the 2007 festival for their efforts so far.

We have had a contribution from some of the embassies, which has not been a feature in the past. I thank the diplomatic corps for their involvement this year and I would encourage them to become more involved. In my view, their involvement enables us to have a link between the people who call Canberra home and the embassies that sometimes some of their ancestors called home—I use “ancestors” as a clumsy way of putting it but I am sure members understand what I am trying to say.

The other issue is that we are talking at the moment with the commonwealth government through a couple of its agencies and we are hopeful that there will be some significant

contribution from the commonwealth government. Without prejudicing those negotiations, I can only say that I am hopeful of some significant contribution. The NCA's contribution offer so far has been a drop in the bucket and in my view they should be thoroughly ashamed of themselves and jack the offer up. They purport to have the interests of Canberra at heart. We will see whether their chequebook matches their rhetoric; we will see how we go.

Mr Speaker, next year's festival is not too far away and I for one am looking forward to taking part in all that is on offer. I would urge members to get hold of the program when it is released and put the events into their diaries because it promises to be a really top festival this coming year.

Education—teacher transfers

DR FOSKEY: My question is to the education minister and concerns the transfer round for the ACT department of education. Teachers are mandated to transfer every four, six or eight years and the transfer round for teachers usually comes out in the last two weeks of term 3. Can the minister advise the Assembly when the transfer round for staffing next year will be released?

MR BARR: There are some issues that present themselves in relation to the teachers' outstanding EBA that are preventing the transfer round for high schools and colleges. I understand from the department that the primary school round has occurred and that that advice was provided to schools and to teachers at the end of term 3. However, whilst there are still a number of issues outstanding in relation to the EBA, we are not in a position, at this point in time, to complete the process for high schools and colleges.

DR FOSKEY: Mr Speaker, I have a supplementary question. Could the minister please explain what difficulties he is aware of that teachers and schools face in dealing with staffing formulae and transfers in time for the start of the 2007 school year?

MR BARR: The advice I have from the department is that, although the tradition has been to have this process concluded by the end of term 3, with a speedy resolution in the next week or two, we should be able to move forward and resolve all of the staffing issues for 2007 in the very near future.

Bushfires—front-line vehicles

MR PRATT: My question is to the minister for emergency services. Minister, despite your answer to Mr Smyth 15 or 20 minutes ago, volunteers are telling the opposition that a significant number of front-line firefighting vehicles, tankers and command four-wheel drive vehicles have been taken off the fireground and restricted to mop-up operations and lower duties. Minister, why is this? Why have some of these vehicles been restricted from crossing the border to operate with New South Wales Rural Fire Service units?

MR CORBELL: I thank Mr Pratt for the question. We do not actually have a fireground to send vehicles to at the moment. There is no fire. I presume that is the context of Mr Pratt's question. The RFS continues to undertake an assessment as to which vehicles are available for response. They have an ongoing program of ensuring that vehicles are available and are to a standard necessary to enable them to be available for first response.

Given the age of some of the vehicles in the RFS fleet, decisions are continuing to be made as to whether or not those vehicles are available for first response. This is a matter on which I am seeking further advice from the RFS; indeed, I sought further advice prior to question time today.

At the end of the day these are operational matters for the RFS and the ESA. They are not matters where I, as minister, should intervene in decisions about the operational capacity of vehicles and whether or not vehicles should be made available for first or second response. The officers responsible for the operational response make those decisions.

The RFS can identify issues where they believe further funding and resourcing is required. That is a matter on which I will engage with them. I will treat those issues seriously and, as we head into the next budget round, I will make assessments as to what is possible in terms of improved resourcing.

I, as minister, am not responsible for which vehicles are or are not designated for first response. I do not sit down, as it seems Mr Pratt would like to do, and say, "Well, Molonglo 10 and Rivers 11 and Gungahlin 21" or whatever else it might be "should or should not be available for first response." I am in no position to make that judgment. I am not the person with the expertise, the skills or the experience to make that judgment. The chief officer of the RFS is, and I will rely on his advice.

MR PRATT: I ask a supplementary question. In terms of fireground status, minister, how many first response vehicles are now available, let us say, as at midday today? You can take the question on notice, if you like. Also, why did it take you and your bureaucrats until 13 days into the bushfire season to begin addressing the problems, which now clearly hamper our brigade and SES units?

MR CORBELL: The status of vehicles changes continually. Vehicles go in for servicing. They come back into the shed. Throughout the fire season and before the fire season vehicles routinely go to workshops for maintenance and servicing. That is a standard part of vehicles moving in and out of operational availability. I think it would be very silly to take a snapshot in time and say that that is the situation because it is a constantly changing situation. Vehicles come in and they go out. It is a very large fleet, with over 60 vehicles. I think it is silly to suggest that we can determine it by a particular moment in time.

I do not know what timeframe Mr Pratt is referring to. What is this 13 days business? I do not know what that is. It is probably some anecdote he has heard third hand along the grapevine somewhere that is completely irrelevant. Bureaucrats in the department of justice do not make decisions about the maintenance of vehicles. They are made by the operational officers of the RFS and the ESA, and that is properly where those decisions rest.

Alexander Maconochie Centre

MS PORTER: Could the Attorney-General please update the Assembly on the progress of the Alexander Maconochie Centre?

MR CORBELL: I was very pleased earlier this week to announce that the ACT government had selected a successful tenderer to move to the \$113 million construction stage of the Alexander Maconochie Centre. That tender has been awarded to Bovis Lend Lease, a national and international construction firm. They have now entered into that contract following a tender process which finished on 20 July this year.

This contract is the third contract to be awarded to date for this project and is for the single largest part of the construction of the prison. Previous projects included early site works. A contract to the value of \$2.4 million was awarded to Canberra Contractors, a local firm, for the development of the early site works, including access roads to the site, traffic lights, road lighting and connection to the various utilities.

Bulk earthworks commenced on the site on 28 February this year and have now been completed. That contract was to the value of \$2.6 million and was awarded to a firm called BMD. That was a very important step in preparing the site for the main construction package which has now been tendered.

The real issue here, now that the contract has been awarded, is whether the Liberal Party will be continuing to state that they will use money from the prison project to fund their various pre-election commitments. Will they be indicating that they will be breaching a contractual undertaking between the territory and a major national and international construction company simply to meet the mess that is their policy position on so many matters at the moment?

That is the challenge for Mr Stefaniak. Will you do that, Mr Stefaniak? Will you repudiate this contract? Will you walk away from a legally binding commitment made by the territory to construct the prison? Will you continue to assert that you will use the prison money for other projects? That is the challenge for Mr Stefaniak and for Mr Mulcahy as shadow Treasurer, because this contract has been let. Construction work is to start in four weeks and we anticipate that it will be completed by 2008.

As I indicated in my answer to Mr Seselja earlier today, we have revised the overall scope of the prison project, due to the significant increase in construction costs since the project was first appropriated. That has meant that we will now cater to up to 300 prisoners, still a very sufficient and significant capacity and, as I have indicated based on Treasury projections, one that could accommodate prisoners until 2042.

A range of other measures are also being put in place for this prison. For example, we continue to focus on environmentally sustainable development objectives. The prison will achieve a green four-star rating. So, in terms of energy and water consumption in particular, it will be achieving significant operational efficiencies, which will be, of course, of benefit to the taxpayer as well as to the broader community.

Another specific design innovation which is worth mentioning is the planned installation of a radio frequency identification tracking system within the centre to be able to track the movements of both prisoners and staff within the centre. That will be a very significant measure which will provide for improved safety for both prisoners and staff and will be the first for an Australian prison.

The government is confident that the project is continuing to be managed in a very professional and effective way. The appointment of Bovis Lend Lease confirms the strong level of industry interest and willingness to be engaged in what is a national best practice project, one which will serve the ACT well for many years to come.

Recycling—Revolve

MR MULCAHY: My question is to the Minister for the Territory and Municipal Services. The current operators of Revolve have managed to run the not-for-profit recycling plant successfully since 1988. It has not only fulfilled its intended role but also provided a useful service to the people of the ACT. Why has the government now decided to put this business out to tender and why will the current operators not be compensated if they are unsuccessful in being awarded the tender?

MR HARGREAVES: I will answer the second part of the question first. They will not be compensated because it is an open tender process; it is transparent and it is open and in accordance with the provisions of the Financial Management Act—in the same way as anyone else who competes at open tender does not get compensated if they lose a tender.

The landfill operations at Mugga Lane have three parts to them: recycling, reuse and the landfill. Recycling is about oils, batteries and that type of material. Reuse is about the Revolve type of activities that we know of where you go in there, pick something up, take it away and reuse it. Landfill, clearly, is the digging of holes and sticking stuff in them.

The contract for the landfill is now up and the territory believe that we should explore options to get the best value for the money we pay. I believe that quite correctly my department has sought tenders for the operation of those three facets through ACT Procurement Solutions. ACT Procurement Solutions are independent of my department, part of another one, and they will conduct the tender process in accordance with the Financial Management Act.

We have sought expressions of interest through the tender process for the provision of all three services, or one of them, or parts of them, to make sure that we get a good outcome for the operations at the Mugga Lane site. We wish to enhance our achievement of no waste by 2010. We wish to make sure that there is an open and competitive process in place. The misconception that some people may have, quite innocently, is that Revolve is a charity. It is a business—a business with a turnover in the last year or so of, I think, about \$850,000. In fact, it has achieved \$1 million worth of turnover.

We are obliged, in accordance with competitive neutrality, to put these things out to tender and we will evaluate them in accordance with the criteria contained in the specifications, which are obtainable on the web. I wish Revolve and any other business success should they wish to submit a tender. It is now a procurement matter and it is not for me to interfere in it.

MR SPEAKER: Do you have a supplementary question, Mr Mulcahy?

MR MULCAHY: Yes, thank you, Mr Speaker. Minister, why were the current operators not able to obtain a meeting with either you or a member of your department to discuss the decision to put this matter out to tender either before or since the decision was announced?

MR HARGREAVES: I had meetings with the principal and with an advocate on behalf of the principal over a year ago—maybe even a bit longer than that—about the whole process. My department has been in conversation with that company, with Thiess and with other people who are expressing an interest in the recycling part; that is to say, the oil, batteries and other recycled materials.

Mr Mulcahy should know, as he purports to be the Treasurer-in-waiting, that once a tender process has been enjoined it is totally inappropriate—I might even suggest illegal—for somebody to interfere in that process. The reason Procurement Solutions are conducting this tender process is that they will be seen to be at arm's length from the department that wishes the contract let. We will have it independently evaluated.

The reason I will not speak to anybody at this point—nor will I make any media comment about this—is that I do not want any perceptions that anything that I say may encourage or discourage anybody from submitting a tender. I will not have me or my office accused of being able to influence anybody to put forward or to discourage anybody from putting forward a tender offer. It is out to tender and it is now out of my hands. That is the second time I have said it, and it is the last time I will say it.

Schools—closures

MRS DUNNE: Mr Speaker, my question is to the minister for education. Minister, I refer to figures published recently by you that reveal that applications for enrolments at Melba high and Copland College are down by 16 per cent and 23 per cent respectively. I have also been told by parents of children at schools in my area that, as a general rule, the majority of year 6 students from the feeder primary schools enrol in Melba high school. This was certainly the case last year but, instead, this year student bookings are down substantially for Melba high school out of the feeder primary schools, and the big winner is St Francis Xavier high school. Minister, how do you account for the drop in enrolment applications at Melba high school and Copland College?

MR BARR: I thank Mrs Dunne for the question. Obviously, the figures the government released showed an across-the-board increase in interest in government high schools and colleges. There are clearly some localised instances where applications are down on last year. We could speculate as to a variety of factors for that. I do not think, as Mrs Dunne might be insinuating, that there are issues in West Belconnen that are different from other regions in the city. My sense is that across the territory there is increased interest in public education. The figures certainly bear that out. There may be—certainly in my consultations—some concern about the particular education models, given that the government has put forward a series of options in that region. There may be an effect in this first round as a result of that.

Not having conducted individual surveys with parents who have not sought to enrol at Melba high this year at this point, I am not in a position to provide a detailed analysis of

why it might be that applications for enrolments to year 7 at Melba high are not as strong as they were last year. It may be that an unintended consequence of the broader debate on public education is that there has been some concern in that region, but it is certainly not something that is occurring across the territory. In fact, those figures show an increase in applications for year 7 and year 11 across the territory.

There is a variety of reasons. These figures bounce around from school to school and from year to year. But the trend—certainly the difference from 2006 figures to 2007 figures—across the territory is an increase in interest in public education. I think that runs contrary to an argument that was being put forward by Mrs Dunne and others around budget time that in fact there would be a mass exodus from public education. That certainly has not occurred.

As I say, there is a range of factors. Mrs Dunne could equally have asked why schools like Telopea, Lyneham and others have received massive increases in interest. There is a variety of factors at play. The quality of our public education system across the territory is an important factor. It is something the government is seeking to address in its reform proposals to ensure that, no matter where you are in the ACT, you can attend a high-quality government school. That is a clear objective the government has as part of this reform process. I am sure that at the conclusion of the consultation round, once all the community feedback has been received and the government is in a position to make decisions about the future of our public education system on a region-by-region basis, we will see stronger outcomes for all of our schools.

MRS DUNNE: Mr Speaker, I have a supplementary question. In another area, minister, can you account for the substantial decrease in enrolment applications for Canberra College?

MR BARR: Indeed, there are no proposed changes for Canberra College. But again, in the college sector we have seen an increase in interest in applicants. It may be that Narrabundah College is drawing students in the southern half of Canberra away from Canberra College. I am certainly aware that both of the Tuggeranong colleges are very near capacity. There is very strong interest on the south side of Canberra.

What is perhaps disappointing is that on the north side it is clear we have one too many colleges to provide the full educational programs. Colleges were set up and designed to run the full college program with an enrolment of between about 800 and 1,000 students—that is the right size. We see that across the majority of colleges in the ACT, but not all.

I am happy to do some further investigation in relation to Canberra College. I am certainly aware that that college will be benefiting from some upgrades as part of the government's 2020 package in terms of investment. I know from speaking with both the principal and the deputy principal of Canberra College that they have some terrific ideas around how to use that money to strengthen that education facility. I certainly look forward to working with them over the next two years to ensure that the money available through the government's 2020 program is put to fantastic use to make Canberra College an even better education facility.

Floriade

MR GENTLEMAN: My question is to the minister for tourism. Floriade 2006 finished last Sunday. Can the minister please inform the Assembly of the success of this year's event?

MR BARR: I thank Mr Gentleman for the question and acknowledge his interest in and support of the Floriade event and his attendance last Thursday evening at the sponsors' thank you. It is my pleasure to be able to report to the Assembly that Floriade 2006—*Carnivale—the world on show*—has been the most successful Floriade event yet. At the end of the event on Sunday evening we had had just shy of 350,000 people through the turnstiles, a 10 per cent increase on the turnstile figures for last year and, I am advised by Australian Capital Tourism, a record for the event.

I am sure that all members would agree that this is fantastic news and a great testament to all the hard work of Australian Capital Tourism, of the team at territory and municipal services, particularly Andrew Forster and his horticultural team who were involved in doing all the really hard work in putting this event together. I would also like to acknowledge the work of all of the industry partners and sponsors, who have all pulled together to work with the ACT government and the various departments to produce what has been a fantastic event.

The theme, of course, was *Carnivale—the world on show* and it included the world carnivale trail, which took tourists to attractions throughout the city and proved to be a great success. The use of cooperative marketing with 18 industry partners extended the experience of the tourists who visited Canberra for Floriade and it certainly should be acknowledged as a highlight of the event.

Among the other highlights were the spectacular display of internationally themed gardens, the best every entertainment program, the first every full-day kids' program and the successful world music concert series, and the ever popular horticultural exhibits and competitions, including the showcase gardens and the public exhibits.

It will be about six weeks before we know the final visitation numbers and the economic impact as not everyone goes through the turnstiles and we will need to factor in those who did not go through the turnstiles. Last year's event contributed just over \$20 million to the ACT economy. With even more visitors this year, we may be able to better that figure.

It is worth noting that the success of Floriade comes on the back of the release of new national visitors survey results from Tourism Research Australia. The latest figures are for domestic overnight visitation for the year ending June 2006. I am sure all members will join me in congratulating Australian Capital Tourism in that the ACT has again defied the national trend by increasing domestic overnight tourism. The ACT had a 4.5 per cent increase compared with the year ended June 2005.

Mr Smyth: But where have you come from?

MR BARR: That was on the back of a national decline over the past 12 months, Mr Smyth, of about 0.3 per cent. In fact, as I have alluded to previously in this place, the long-run experience for domestic tourism, over the last 20 years, has been flat. The ACT's performance for the last 12 months, building on the work that was done in the previous 12 months, has been a tremendous result. In fact, Victoria and Western Australia were the only other states or territories to record an increase in domestic overnight visitors. The ACT is leading the nation.

This data also indicates that Sydney and regional New South Wales remain our largest source markets, representing 62.5 per cent of the total domestic overnight visitors to the ACT for the year ending June 2006. It is pleasing to note that, despite increasing fuel prices for the drive market, visitation from Sydney and regional New South Wales remains strong as visitors realise the strength of the tourism product in the ACT.

I take this opportunity to extend my congratulations to all of the staff of Australian Capital Tourism for their hard work and to the ACT tourism industry. I know that those opposite have been talking down the industry consistently for quite some time. On behalf of all my government colleagues, I would like to extend the government's strong support for Australian Capital Tourism and for the industry. I would also like to thank the many sponsors and volunteers who participated in the Floriade festival. It is clear that results such as we have achieved with Floriade show that when government, industry and community work together effectively excellent results can be achieved.

I certainly hope that next year's Floriade, which will have an Aussie icons theme, will be just as successful as the one in 2006 and that industry, local business and the community will continue to support the event in such a positive way. In closing, I think it is fantastic that events such as Floriade are helping the ACT lead the nation in visitation.

Mr Stanhope: I ask that further questions be placed on the notice paper.

Leave of absence

Motion (by **Mrs Dunne**) agreed to:

That leave of absence be given to Mrs Burke for 18 and 19 October 2006.

Supplementary answer to question without notice Emergency services—front-line vehicles

MR CORBELL: Yesterday I took a question on notice from Mr Stefaniak. He asked me about a range of vehicles that are unavailable. I have answered most of that in my answer to a question earlier today. But just for the record and for the sake of completeness, I will respond to Mr Stefaniak.

He asked me why two-thirds of volunteer bushfire trucks in the northern ACT—namely, Molonglo 10, Molonglo 11 and Gungahlin 10—were unserviceable and why they have been in repairs for a long period of time, eight weeks. First of all, I advise Mr Stefaniak that Molonglo 11 is not affected in this regard; it was Parks 11. I correct the record there.

Molonglo 11 was one of the old petrol pump vehicles. This has now been replaced with a new CAFS, that is, compressed air foam, tanker provided to the Molonglo brigade.

I have outlined already the problems associated with the three vehicles, Molonglo 10, Gungahlin 10 and Parks 11, so I will not enter into that again. In relation to the issue of coverage, as I indicated yesterday, Mr Speaker, we had a large number of resources from both the ACT RFS and ACT Fire Brigade on standby around the ACT on that day of total fire ban. Coverage for the area was not compromised because of our ability to stand out resources from other locations.

Tertiary health education

Debate resumed.

MS GALLAGHER (Molonglo—Minister for Health, Minister for Disability and Community Services and Minister for Women) (3.20): I rise to support Ms MacDonald's motion. I will mention Mr Smyth's amendments in a moment.

As Ms MacDonald pointed out in her speech, tertiary medical education and the skills shortages we face are ultimately issues for the commonwealth, but the ACT government will do all it can to address the issues in this area. The ACT government has committed funding for the development of infrastructure at the ANU Medical School and other institutions to enable and support the important education and training initiatives outlined by Ms MacDonald. For example, the ANU Medical School building on the Canberra Hospital campus was officially opened on 2 August this year. The ACT government provided \$12.1 million in capital funding in the 2004-05 and 2005-06 budgets. The building accommodates the ACT Health library, tutorial rooms, a lecture theatre and teaching areas. The facility also houses academic units, including general practice and surgery, as well as providing the academic units with research space.

The ACT government provided funding of \$10 million to the health services annexe for allied health professions at the University of Canberra. This facility is under construction and is due for completion in December 2006. This annexe will house allied health teaching and research, which includes nutrition, pharmacy and physiotherapy.

At Calvary the ACT government provided \$1.75 million to refurbish a section of Calvary Hospital to provide third and fourth year medical students with specialised in-house hospital training. This building was opened in May 2006 and, along with the new TCH facility, significantly enhanced the medical school's ability to recruit, train and retain doctors in the ACT.

Finally, the government has also invested \$1 million in the John Curtin Medical School to redevelop this icon of medical research. The research conducted at the school contributes to our capacity to manage and conquer such diseases as diabetes, high blood pressure, HIV, epilepsy and various cancers. This money is a key investment in the future of medical research in the territory.

Mr Speaker, I have already mentioned the capital investment we have put into the ANU Medical School. We are immensely proud of that institution, as I am sure all members of the Assembly are. The ANU Medical School's first student intake was in

2004 and the students are part of a four-year postgraduate medical degree. The first of these home-grown ACT students will graduate in 2008.

The school currently can have an intake of up to 92 students each year. We have lobbied the Australian government to secure the current 80 commonwealth-supported places, and the Chief Minister and I have been actively working to gain an additional 10 places which we could take straight away. Unfortunately, at the moment, the Prime Minister and the minister for health are not supporting that request for 10 extra places, although we are getting support from Senator Humphries up on the hill. He is lobbying the Prime Minister and the minister for health to support those additional 10 places. The ACT government believes that we should have received additional places in the recent carve-up of places. It would have increased our capacity to train more doctors, particularly in a climate where we have a shortage of doctors nationwide, and certainly a shortage of GPs here in Canberra.

The medical appointments and training unit in ACT Health has also recently been established, I think in this year's budget, to foster the linkage of undergraduate and postgraduate medical education and training. We received around \$400,000 in recurrent funding. We have invested \$3.5 million recurrent to funding specialist medical officers to support our teaching and training role with medical students.

Another area where the ACT is leading the way nationally is in interprofessional learning. One of the most effective ways to foster understanding of, and respect for, various professional roles and the value of multiprofessional teams is through interprofessional learning. This gets people working in teams with the aim of providing integrated high quality care that optimises health's scarce human resources. Recruitment for the newly created interprofessional learning coordinators situated in ACT Health is well advanced and will be announced shortly.

Fortunately, Mr Speaker, the ACT government has successfully lobbied the Australian government to establish a number of new courses for health professionals in the ACT. The masters courses in physiotherapy, dietetics and pharmacy at the University of Canberra started in July 2004, with the first cohort of 21 physiotherapists, eight dieticians and 14 pharmacists graduating in July this year. These new courses will assist us to address the workforce shortages in these professions and will ensure that we have local access to nutrition, pharmacy and physiotherapy services.

A certificate IV course for allied health assistants across three disciplines—occupational therapy assistant, physiotherapy assistant and speech therapy assistant—commenced in February 2006 at the CIT. The development of this new workforce role in the model of care is a strategy to address increasing demand and rising expectations for health services in the territory. Allied health professionals are becoming more specialised; and this new workforce role will enable allied health professionals to more effectively utilise their expertise for more complex clinical duties. Allied health assistants will work under the supervision of a registered physiotherapist, occupational therapist or a speech pathologist.

ACT Health is currently providing financial support to five students from ACT Health enrolled in a certificate IV course at CIT. The first cohort of students will undertake industry placement during September and October 2006. The first cohort of occupational

therapy assistants, physiotherapy assistants and speech pathology assistants will graduate from CIT at the end of 2007. Further certificate IV allied health assistants in other disciplines such as nutrition and podiatry are being investigated in consultation with stakeholder groups.

In relation to scholarships, the allied health postgraduate scholarships scheme funded by ACT Health commenced in July 2004. The primary aim of the scheme is a retention strategy as well as to contribute to a positive learning environment that increases knowledge and skills of allied health staff in ACT Health.

The number of applications received in the February 2006 round was a 200 per cent increase since the scheme commenced in July 2004. Scholarship recipients have been across 13 allied health disciplines, and since the scheme was introduced, the ACT Health separation rate for health professionals has significantly decreased from 15.9 per cent in July 2004 to 10 per cent during December 2005-January 2006. Scholarship recipients stated that the scholarship was an important consideration in choosing to remain with ACT Health when receiving offers of employment external to ACT Health. Some recipients progressed their career path within ACT Health.

ACT Health also funds the allied health undergraduate scholarship scheme. The scheme was piloted in 2005 and is primarily a recruitment strategy that targets allied health professionals, who are difficult to recruit not only because of workforce shortages but also because there is no training school in Canberra. A total of five undergraduate scholarships were offered in 2005, three to radiation therapy students and two to podiatry students. It has been a highly effective strategy to date. Both schemes will be evaluated late this year.

From that brief outline of the different strategies we have in place to invest in health education, promotion of retention strategies and looking at ways to diversify the workforce and retrain people, members will see that the ACT government has invested heavily in health education.

I want to quickly mention Mr Smyth's amendments. Unfortunately, due to Exercise Cumpston, I was not able to hear his comments, but I understand that Mr Smyth quoted from the annual report. I would have to check the *Hansard*, but I believe that the figures that Mr Smyth quoted are not comparable.

My understanding is that there has been no reduction in training hours or support for training. I think that what Mr Smyth did was compare the stats in last year's annual report to this year's annual report, and my advice is that these are not tertiary training statistics, which is what the motion refers to. As indicated by the footnotes on pages 81 and 82 of the annual report, these figures do not include in-services, and that is because the information came from the wards. However, when we consider that the number of in-service education training sessions has increased from 782 to 1,226 and the number of staff in-service education training sessions has increased from 7,489 to 12,179, there is no doubt that training investment has increased.

MS MacDONALD (Brindabella) (3.30), in reply: I have risen very slowly because it was my understanding that Dr Foskey wished to speak to this motion as well. She is not here—

Mr Smyth: Too bad.

MS MacDONALD: so she will not be able to. I think that is unfortunate because I would like to have had a bit more a discussion about this issue. I think it is important.

Mr Smyth: It is important.

MS MacDONALD: Firstly, I thank Mr Smyth for contributing to the discussion.

Mr Smyth: A pleasure.

MS MacDONALD: I would have to say, though, that it would be nice for a change, especially on the subject of health, if Mr Smyth were not always Mr Negative.

Mr Smyth: No, I am not always negative. I spoke glowingly about the Howard government.

MS MacDONALD: I am sorry, Mr Smyth.

Mr Smyth: The Howard government achievements are spectacular.

MS MacDONALD: That is the way you come across to me; it is certainly the way that many people perceive you when you speak. You are actually quite a negative person—

Mr Smyth: I think that might apply to you, Karin.

MS MacDONALD: when it comes to the issue of health. Anybody would think from the comments that you make about health that we were all in a terrible state of health and that the ACT's health system is sadly lacking.

Mr Smyth: Point out where I said that, Ms MacDonald. You have got to tell the truth.

MS MacDONALD: It would be a pleasant change, Mr Smyth, if you could look at the sunny side for a change.

Mr Smyth: It would be a pleasant change if you were factual.

MS MacDONALD: Mr Smyth, I hope that Ms Gallagher managed to answer all your questions.

Mr Smyth: No, she did not. Read the report.

MS MacDONALD: I made the effort to go to the minister's office, but I have to say that I did not scuttle. I do not scuttle.

Mrs Dunne: Did you scurry?

MS MacDONALD: I did not scurry either. I leave that to field mice, Mrs Dunne.

Mr Smyth: I raise a point of order, Mr Temporary Deputy Speaker. I did not say “scuttle”. Scuttle applies to boats. I actually did say scurry away.

Mr Corbell: On the point of order, Mr Smyth has persistently interjected ever since Ms MacDonald rose to her feet. For him to then raise a point of order, which is not a point of order, is an abuse of the standing orders. You should call him to order and warn him that it is an abuse of the standing orders and will not be tolerated.

Mr Smyth: Mr Temporary Deputy Speaker—

MR TEMPORARY DEPUTY SPEAKER (Mr Gentleman): Order, Mr Smyth!

Mr Smyth: On the point of order—

MR TEMPORARY DEPUTY SPEAKER: Order, Mr Smyth! Resume your seat for a moment.

Mr Smyth: On the point of order—

MR TEMPORARY DEPUTY SPEAKER: Mr Smyth, I have asked you to take your seat. I will respond to Mr Corbell. I have called Mr Smyth to order twice. If I have to do so again, I will warn him.

Mr Smyth: On the point of order, Mr Temporary Deputy Speaker, I wonder if Mr Corbell will point out under what standing order he raised that point of order?

MR TEMPORARY DEPUTY SPEAKER: You do not have a point of order, Mr Smyth.

Mr Smyth: Well, I do, Mr Temporary Deputy Speaker. A point of order has to be raised under a standing order.

Mr Corbell: Warn him, Mr Temporary Deputy Speaker.

Mr Smyth: A point of order is against a violation of the standing orders. You should know that.

MR TEMPORARY DEPUTY SPEAKER: Mr Smyth, if you stand up again without a point of order, I will ask you to leave the chamber. Ms MacDonald has the floor.

MS MacDONALD: Thank you, Mr Temporary Deputy Speaker. Whether it was “scuttle or scurry”, I do not do either.

The purpose of the motion was to talk about the areas where the ACT government is investing in the important area of tertiary health education. I do not think there is a problem with highlighting the areas where this government has put in money and also where the previous government put in money to address some of the shortfalls. For Mr Smyth to take it as a personal swipe and decide that we should just talk about all of

the wonderful things that the Howard Liberal government has done I think is a little bit precious.

I do not have an issue with the first part of Mr Smyth's amendment. I do accept that it would probably be better to refer to health professionals rather than medical professionals, because the motion clearly covers the whole range of professionals, not just those with medical training.

I cannot accept the second part of Mr Smyth's amendment. I will move that the question be divided when we come to deal with Mr Smyth's amendment. I think the motion speaks for itself. I am sorry that Dr Foskey was not able to get down early enough to speak on this motion.

Dr Foskey: I was not going to.

MS MacDONALD: She was not going to anyway. I think it is an important matter and one that stands on its own. I commend the motion.

Ordered that the amendment be divided.

Amendment No 1 agreed to.

Question put:

That amendment No 2 be agreed to.

The Assembly voted—

Ayes 6

Noes 9

Mrs Dunne
Mr Mulcahy
Mr Pratt
Mr Seselja
Mr Smyth

Mr Stefaniak

Mr Barr
Mr Corbell
Dr Foskey
Ms Gallagher
Mr Gentleman

Mr Hargreaves
Ms MacDonald
Ms Porter
Mr Stanhope

Question so resolved in the negative.

Motion, as amended, agreed to.

Schools—closures

DR FOSKEY (Molonglo) (3.41): I move:

That this Assembly calls on the ACT government to conduct and then release a full cost/benefit analysis of the *Towards 2020* proposal before closing, amalgamating or reorganising any ACT government schools.

This is an extremely simple motion. It asks the government to conduct and publicly release a full cost-benefit analysis of its *Towards 2020* plan for school reorganisation and closures. I should note that this is something that the government has itself committed to

and I believe that in a time of such far-reaching change, the community has every right to expect that work to be done.

It is interesting that when the *Towards 2020* plan was released at the time of the budget, of 70 media releases there was not one that alluded to the proposed 2020 plan. I do not think this indicates that the government was feeling particularly proud of this proposal. Of course, the school communities affected, including teachers, local shop owners, parents and so on, were shocked and horrified, not just at the plan, but at the lack of a clear and detailed rationale.

The government has decided to respond to the ongoing criticisms of this plan in three ways. First, it takes a big picture approach and argues that change and innovation are necessary, and that this is what this plan delivers. Second, it says that *Towards 2020* is merely a proposal and that the so-called consultation process will shape the final outcomes. Third, it denigrates good-hearted, well-intentioned people who are totally committed to public education, who put voluntary hours, unpaid hours, into providing more information—

Mr Barr: So he can go around calling me a liar in the media all the time and I am not allowed to respond.

DR FOSKEY: This is an indication that the government feels very fragile about the issue of school closures. I think Mr Barr's attitude is an indicator of this government's attitude to people who speak, as is their democratic right. I, as a member of the Assembly, have that right, and so does every other person in this community. Mr Barr and other members denigrate and ridicule those people in the community who speak out. It does you no credit, Mr Barr. It indicates a degree of smugness and suggests that you are not really listening to people.

My bill to put a moratorium on this plan in order to allow for a more careful and organised discussion and negotiation to go on within government and with affected communities was rejected by this government. This afternoon, Mrs Dunne's bill, which is similar, perhaps will have a better treatment, but the indications are not good. The minister for education and the Chief Minister argued, in essence, that if it is to be done, it is best that it is done quickly and, by the way, it will be done no matter what you say, because we believe it is the right thing to do. As we know—and it is forever on the record—no other Labor member spoke in that debate.

Not one of the Labor members who voted in favour of a motion with a similar intent at the Labor Party conference spoke in that debate. Not one of the backbenchers who had been approached by school communities asking them to support my bill in order that they could have more time to develop options for their communities or to organise other arrangements for their kids was prepared to contribute to that debate. Not one of those members was prepared to put on the record why they supported this policy, so being accountable to their constituents.

Does this mean they do not believe they have a responsibility to declare and explain their position to their constituents? I would imagine that Labor members could support this motion, because I am quite sure that all members of the government are committed to good governance and committed to following processes that they have agreed to in other

forums. I believe that they will want to see a full cost-benefit analysis of this major policy initiative before the schools in their electorates are closed and disrupted, before the lives of parents with complex childcare and preschool arrangements and children that are well settled in schools with disability and other units are thrown into chaos and before the principles of neighbourhood schools and services are finally and permanently abandoned.

At a public hearing of the budget estimates committee, the education minister advised us that there had been no analysis of the risk that these changes to government schools will encourage more students into non-government schools. We were advised that the government thought there was a risk in doing nothing and that the government was engaged in a consultation process.

The scoping study on a possible cost-benefit analysis of the *Towards 2020* proposal commissioned by the P&C council and released yesterday has been much discussed already. The government, which says that it is open to hearing what the community says, has reacted to criticism by denigrating the authors of that study. In question time and through media releases it has been possible to amplify points within the study to demonstrate support for the government and the P&C in this matter. I do not believe the paper condemns the ACT government for the work it has done to date—not at all. This is the problem with this government. Any little criticism is taken as opposition. You claim that we want every school to stay open, whether it is viable or not. You put up a straw tiger, and then, of course, you knock it down because it does not really exist.

I think most of us are more intelligent than that. This paper makes the point in a thorough and considered way that, while the ACT education department has provided financial information on the impact of this proposal, a full-cost benefit analysis is necessary because it would look at other options as well, ranging from simply moving more slowly and collaboratively with this plan to offering and providing some specialisation across a range of schools; working with schools to investigate collocation of community and lifelong education facilities; providing a comparative analysis of the economic costs and benefits of these proposals and taking the do-nothing option.

Furthermore, such an analysis would be conducted from the perspective of the community as a whole. It would look at different groups in the community and how these changes affect those different groups. It would not just consider the interests of the service provider, that is, this government. That is the work that, in essence, any responsible government ought to do before embarking on a major policy initiative such as this one, and that is what this motion asks the government to do simply what it should have already done.

I should point out that ministers and senior public servants of this government have spoken strongly themselves of the need for thorough cost-benefit analyses. Back in 2002, in response to the Auditor-General's report *V8 car races in Canberra: costs and benefits*, ACT Treasury commented:

... supports the approach to cost-benefit analysis taken by the audit ... and agrees on the importance of rigorous and independent cost-benefit analysis as a tool in providing good advice to decision makers.

Treasury went on to say:

This very point is often made by officers of this department in discussions with other agencies.

In 2004, in response to a question from my predecessor, Kerrie Tucker, asking if ACTEW and the government would do a cost-benefit analysis of possible water supply options, Mr Stanhope replied:

That is very much the approach we have adopted in relation to the development of the water strategy and it is certainly the approach we will adopt in relation to the work that we are doing as a matter of prudence in identifying possible future sources of supply. The water strategy itself is based entirely on the need for us to assess all of those costs in a truly sustainable way and, of course we are looking at all those issues.

In March last year he supported a cost-benefit analysis of catchment management.

The list goes on, including former Treasurer, Mr Quinlan, and many others who, from their opposition days, have sung the praises of comprehensive cost-benefit analyses. More recently in this place, in May this year, the Chief Minister said:

A budget is being developed and will be delivered on 6 June. The cabinet is giving detailed and the most rigorous assessment of each of the government's priorities. In that context it is relying on detailed briefings and advice from across our public service, as one does, on a range of expenditure initiatives and other initiatives that have been developed.

On each significant work a cost-benefit analysis, case studies and business cases have been developed on a range of new policy initiatives and proposals on efficiencies and how to ensure that we have the capacity to meet the challenges which the community faces in meeting the growing expectations of the community, the growing need and gaps in need that will develop, particularly in relation to ageing and health, and the need for us to concentrate on necessary infrastructure and planning for the future of the territory.

It seems to me that we should be able to expect that everything in that budget has been subjected to a rigorous cost-benefit analysis. But it would seem that the most dramatic of this budget's policy initiatives has not been analysed in this way.

In this context, I would like to come back to the ACT government's risk management framework. According to the Chief Minister's policy statement, this government's whole-of-government approach to risk management "demonstrates that risk has been assessed as managed in accordance with stakeholder expectations". Stakeholders in our government school system have seen no evidence that the education department is being required to follow that government policy. The ACT government is clearly still committed to implementing an ill-considered reorganisation of government schools across the ACT. Its response to expert and community criticisms of its proposal is to damn them. It should never be acceptable to conduct far-reaching change without a proper, careful and public analysis of the risks and costs associated with the exercise.

We would like to know that the ACT government has carefully considered and can explain the impact of the proposal on the viability of local centres, on the long-term health of children, on meeting the needs of children with an intellectual disability or physical disability, on the needs and interests of kids at risk of unsatisfactory education outcomes, on the increased costs that might fall to families adjusting to new educational settings, on the reorganisation of the department, and indeed, on our roads. Cars are bypassing schools that have closed to get to new schools. I know Mr Barr will say that people are already doing that. A hell of a lot more people are going to be doing it once this proposal is implemented.

Finally, I would just like to make the point that when my bill to put a moratorium on the school closures was defeated in November, not one Labor backbencher bothered to speak. It seems to me that this approach is disrespectful of the school communities in their electorates who are dismayed by both the 2020 plan and its implementation. My motion today is a simple one, and I trust it is one that the backbench can support. If not, I look forward to hearing from them as to why they do not view a public and comprehensive cost-benefit analysis of these far-reaching changes as necessary.

When it comes down to it, one of the things that people in this community care about most of all is the education of their children and their right to do that. We live in a world where it is going to be the 80 per cent and the 20 per cent. We need skills and a skilled workforce. That starts with good schools, and good schools for the most disadvantaged.

We could argue about small schools until the cows come home, but where is the work? Where is the work that shows that the government cares enough about those kids, rather than a bottom line, which will not be achieved and improved for several years anyway? There is time. That is what I have always said. The government has said itself that these savings will not be seen for another two or three years. Show us the cost-benefit analysis that proves that you have looked at achieving high quality education and that the benefits outweigh the costs, not just to the government, not just for the short-term economic bottom line, but for the long-term economy of the ACT and investment in our people.

MRS DUNNE (Ginninderra) (3.57): Mr Speaker, the Liberal opposition will be supporting Dr Foskey's motion, which reads:

That this Assembly calls on the ACT government to conduct and then release a full cost/benefit analysis of the *Towards 2020* proposal before closing, amalgamating or reorganising any ACT government schools.

A cost-benefit analysis is an essential element of good policy making. Any policy maker who is interested in making good policy would embrace the notion of using a tool such as a cost-benefit analysis to test the parameters of their policy. The minister has a policy called *Towards 2020* which is about diversity, access and those sorts of things, but there has never been a comprehensive tool applied to the proposals in this document that would test whether the stated outcomes, which are really, for the most part, blandishments and pious catchphrases, are capable of being met.

There is a fault with the policy. Irrespective of whether you agree with closing schools or not closing schools, there is a fault with the minister's policy in that it does not set out

clear measures as to how to achieve particular goals. The goals are for the most part, as I have said on a number of occasions, quite amorphous. There is no means of measuring beforehand whether the stated path that this minister wants to take will bring about the results that this minister claims that he wants to achieve.

Mr Speaker, only an ideologue or someone who is afraid of perhaps coming across inconvenient information would shy away from testing their policy proposal through a cost-benefit analysis or similar instrument. I have often said here that the *Towards 2020* proposal is something that somebody could do perhaps in relation to curbing expenditure in education, but I have questioned, and many of the people that I deal with on a regular basis in relation to school closures question, whether it is the right something.

The Chief Minister often talks about “the brave decisions that this government has made in the interests of public education”. They certainly are brave decisions. No-one will deny that. They could be, in the Sir Humphrey sense, courageous decisions, but we still do not know whether they are the right decisions. And then there are the questions about whether the Stanhope government was courageous enough to tell the truth before the last election when it allowed an official to say quite publicly in the paper that there would be no school closures in the life of the next Stanhope government. As we have pointed out often, that may have been a mistake on the part of the official. He may not have been given permission to say that, but that was never corrected. He was never gainsaid by any member of the government. The minister at the time never corrected her official and the Chief Minister never corrected it when the debate about school closures was raging before the 2004 election.

It is true that most of us in this place recognise that there may be changes and efficiencies necessary in ACT government schooling and we might like to set some targets for reaching efficiencies in ACT government schooling, but I think that one of the things that have been overlooked by the ACT government is that they do not own ACT government schooling. They are the administrators. Dr Foskey touched on that before. These are the people who actually run the system, but they do not own it.

I have spent a lot of time visiting schools, visiting community groups and standing at shopping centres since this proposal was announced, and even the people who are most vehemently opposed to particular school closures or to the whole policy do not shy away from the fact that there may be a case to be made for closing particular schools. I do not know that there is one person in this community who thinks that we should never close a government school, not one person. The people in this community object to the means by which this government has undertaken the process and the fact that it has done so in an underhanded way that has been lacking in information.

People keep coming up against simple things. Has there been a risk analysis done? No, there has been no risk analysis. What risks would children who used to walk to school along bicycle paths face when they have to ride their bikes from one suburb to another, traversing major arterial roads where there are no crossings? Have we taken those things into account? Do we want to have repeats of deaths of schoolchildren on the way to school because of bad traffic management? Have these things been taken into account?

There are many things that need to be taken into account when you make a major policy shift, any major policy shift, and it is not something that you would do in the space of

six weeks. As I have said before, when this minister became the minister he was taken to the Chief Minister's office and told, I have no doubt, but these were probably not the exact words, "Andrew, your mission, should you choose to accept it, is to save us some money in the school system and, while you are at it, I want you to close some schools, and it needs to be a big number, because I am a courageous man."

The period from that day until the budget announcement on 6 June was about six weeks. Yes, there was a big press conference on that day, as the minister says, but none of the members here was privy to that press conference because it was in the budget lock-up. It was very hard on the day to get information about what was proposed. In fact, I did not manage to obtain information until quite late in the evening, probably close to 6 o'clock, through having a generous journalist give me a copy of his documentation so that I could photocopy it. That was a situation where they knew that they were in trouble, they knew that they were doing the wrong thing, and they wanted to cover up what was happening as much as possible for as long as possible.

We have had that constantly since then. We have had faulty documentation. We have had bad figures which the minister says that he will fix but now will not fix. We have had a whole range of information being brought into question by members of the community who probably know their schools better than the officials who visit them from time to time. The parents at the schools that my children attend, especially those really active in the P&C association and the school boards, know more about their schools than the officials who work in Manning Clark House.

That is a sign of the fact that this government does not own the schools; The people of Canberra own the schools, and the people who have the biggest stake are the people who send their children to the schools, the people who are involved in the school communities, the people who raise the money. All of these people have been, essentially, excluded because of the paucity of information and the poor quality of information. If we are going to produce targets that bring about more efficiencies in the ACT education system—as I have said before, I do not know of any person who does not think that we can obtain better efficiencies and perhaps some schools should change or close—and if we are going to act on those targets and make changes to the government schooling system, the owners of the system, not the operators, must be given the information necessary for them to understand what is happening and why.

The problem is that the Stanhope government is having difficulty selling its preposterous program. Dr Foskey is quite right in highlighting the number of occasions on which the members of the Stanhope government, both in government and in opposition, have spoken about the necessity for high quality cost-benefit analyses and the number of times that the Chief Minister has stood in this place and said that he would only formulate policy on an evidence basis, that we would have evidence-based policy.

Mr Seselja: This was cobbled together.

MRS DUNNE: Mr Seselja is quite right. This is not evidence-based policy. This is cobbled-together policy, policy brought together on the fly. We have to look at the real costs associated with closing schools; we have to look at what they are. That is not just how much money will be spent or saved in the education budget; we have to look at the costs associated with running extra buses, changing the bus timetables, and the costs

borne by other agencies of government, such as the costs associated with organisations such as Therapy ACT and other government organisations that go into schools to deliver services. What costs will be borne by them by the changing of the structures? What costs will be borne by the economy at large as to the number of children whose education will go backwards as a result of these changes?

Probably a large number of children will change schools and hardly miss a beat, but a substantial minority of children will more than miss a beat, children with severe and middling disabilities who will find the whole process extraordinarily disruptive. That will be a one-off cost. Mr Barr likes to talk about his economic rationalist status, qualifications and position, and he might think that it is all right to have a one-off cost whereby one child, 100 children or 500 children lose a year of their educational advancement. The government might think that that would be a one-off cost that we would just have to bear, but we have to think about the moral imperatives that that would impose upon us, the implications that that would have for those individual children, for their families, the cost that those issues would have for families which have children with disabilities.

Mr Barr has been to school meetings at which he has met parents of children with multiple disabilities and with more than one child in the family with disabilities. These people live extraordinarily fraught lives, on the edge all the time, conditions which are being contributed to by these changes. It is interesting to note the proportion of children with disabilities who are affected by this proposal. Why has this happened? It has happened because we encouraged disability units to be set up in small schools as they were more suitable for integration into the mainstream of children with disabilities. We are now basically going to unravel that policy without ever measuring the implications of that policy for the children currently there and whether over time we are going to have a better or worse policy in relation to dealing with children and providing proper education for children with disabilities.

If this government were to do a cost-benefit analysis, it could come back and say, "If you put together the social costs here, the benefits here and the improved education here and take into account that children who have to travel from one suburb to another on buses and things like that will gain much more independence than they would if they were being dropped off by their parents and there may be a quantifiable benefit there, the quantifiable benefits do outweigh the costs." That may be the answer, but we do not know. This minister does not know whether the benefits of his *Towards 2020* policy outweigh the costs.

We know that in the short term the financial costs alone will be enormous compared with the savings, in the vicinity of \$200 million worth of expenditure to save \$32 million over the life of the budget, which causes average mums and dads to scratch their heads and say, "What is this man about? Why is he spending so much money to make such paltry savings and, in doing so, disrupt our lives. Why should we bear the costs?" If this minister could demonstrate to the people who speak to me at the shops and the schools that I visit across this town—

Mr Gentleman: At Charnwood?

MRS DUNNE: Yes, including Charnwood, where people come to me and say, “Thank you, Mrs Dunne, for standing up for our schools.” Three or four people might have got their picture in the paper, but the other people who come up to me week after week and thank me for standing up for their schools do not get their picture in the paper because that is not a departure from the obvious. That is not a controversial story.

The people who thank me and my colleagues for standing up for their schools do not get their picture in the paper, Mr Gentleman. In this case, only the self-confessed members of the Labor Party who wanted to make a fuss got their pictures in the paper and those four people are the only four people who, in two weeks at Charnwood shops and regular visits to schools in the area, have ever said, “We do not like what you are doing.” I am not like Mr Gentlemen and Ms Porter, who say that they will do something and then sit here and do nothing. I challenge them to speak today. I challenge them to say why they would not support— (*Time expired.*)

MR BARR (Molonglo—Minister for Education and Training, Minister for Tourism, Sport and Recreation and Minister for Industrial Relations) (4.12): I thank Dr Foskey and Mrs Dunne for their contributions. I respectfully disagree with the majority of what they have had to say. I would like to indicate from the outset that the government opposes the motion put forward by Dr Foskey. Our intention is to continue to act in line with all the requirements of the Education Act. We have done so, of course, by publicly placing the *Towards 2020* proposal before the community for an extended period of consultation.

I do not think any policy proposal has been subject to more scrutiny, certainly in living memory, in the ACT. There has been a considerable amount of debate in this place, within the media and within the community on this proposal, and today we are seeing another delaying tactic designed to thwart any attempt to make much-needed enhancements to the delivery of education in the ACT.

Mr Speaker, we have seen many such attempts, and one really has to ask why those opposite and the Greens are so opposed to any reform of our education system. Certainly, neither speaker previously has put forward a policy suggestion by way of an alternative proposal. They have been very focused on pursuing the government on matters of process, which is a responsibility of oppositions and crossbenchers, I acknowledge, but it has all been about process rather than substance.

I do acknowledge Mrs Dunne’s contribution and the movement that there has been from the beginning of this debate in relation to whether there is some need for reform. I think that Mrs Dunne has been receiving feedback similar to mine from over 75 school visits and more than 90 individual consultation meetings with school communities that I have been involved in—that is, that people are acknowledging that there is a need for change.

There are obviously in individual communities some very passionate views about the retention of individual schools, but there is broad acceptance on the fundamental issues that this public education system has to confront. The changes in demographics in this city and the drift from public education to the private education system are issues that need to be confronted. They are difficult issues. They are ones that have built up over the

extended life of self-government in the ACT over 17 years, and it is time to confront them. They are difficult issues, but we do not do anyone any favours by seeking to postpone difficult decisions. That is why the government has set out a vision for improving education and why we have gone to the community to consult and, in the end, to make what will be difficult decisions, but decisions that need to be made to ensure the continuation and enhancement of our public education system.

The *Towards 2020* proposal that was released in June this year is a comprehensive and detailed proposal that outlines the changes that the government believes are necessary to allow the ACT education system to move forward with strength. All students in the ACT deserve an education that is of the highest standard and is delivered in contemporary and state-of-the-art facilities. That is the right of every student in every school, not just those in new suburbs. In developing the proposal, the government has considered a broad range of demographic, educational, social and financial factors. We obviously considered both the relative merits and the negative impacts arising from the elements of the proposal before bringing it forward to the community. During the consultation process, the government has taken the proposal to the community in an extraordinary number of meetings and received extensive feedback. The government has called for written submissions and the community is responding.

Mr Speaker, it is the government's job to ensure a sustainable and high quality education system across the whole territory and for every student. I acknowledge that, should the proposal proceed, there will be impacts on some families. On the other hand, the injection of \$90 million into our education system for capital upgrades and \$20 million for technology upgrades in our schools will have a tangible impact on the quality of education services across the territory. As a result of this investment, in this financial year alone there will be 223 separate projects undertaken to improve more than 72 schools across the ACT—that is, 72 schools will benefit from new play areas, new specialist teaching and learning areas, improved heating and electrical systems, new windows, new external painting and new landscaping. Yet those opposite, through their opposition to these reforms and, as Mrs Dunne has indicated, their view that that investment is throwing good money after bad, I believe are doing ACT residents a great disservice.

Mrs Dunne: You don't know what you are spending it for and what the outcomes will be.

MR BARR: To pick up on Mrs Dunne's point, I do know why we are investing that money. It is because ACT public schools have been allowed to run down over an extended period. Governments of both persuasions, both commonwealth and ACT, have allowed this to happen over an extended period and it is time that we invested some money back into our public education system. The projects that the government is funding are ones that schools have requested and it has been unable to fund in years past. We now have the resources to do that.

Mrs Dunne: Where did the \$90 million come from?

MR BARR: If Mrs Dunne believes that we should not be upgrading heating systems in our schools to ensure not only that the energy usage in our schools is reduced but also that we have comfortable teaching and learning environments for our staff and for our

students, I really have to question that. I think that the government has a fundamental responsibility to ensure that there are quality facilities. If Mrs Dunne has an issue with any of the 223 projects that we have announced and have put to tender, if she believes that we should not be upgrading irrigation systems and if she believes we should not be improving schools playgrounds—

Dr Foskey: I did not hear her say that.

MR BARR: She said that we were throwing good money after bad. Dr Foskey, do you not believe that we should be investing money in schools? Nonetheless, the government will continue with this program to invest record amounts of money in our public education system. One needs only to look at the advice of the Government Schools Education Council in relation to the need to invest in school facilities. That was a key feature of their advice to me very early in my time as minister. It was amongst a range of issues that they brought forward and that we are working on.

Returning now to the issue in Dr Foskey's motion in relation to a cost-benefit analysis and the implications of change, I think it is important to look at the report that the P&C put forward. Again, I draw members' attention to the following interesting quote that is contained within the report:

Once consolidation was completed, and two or three years had passed, the key stakeholders involved, including parents who were previously angry or concerned, believed the merger was beneficial for students.

The government is showing educational and political leadership on this issue. We are willing to argue the case for improvements that will ensure our schools and our students will be ready to meet the demands of the 21st century. An extensive six-month consultation process is under way, and as this process proceeds the government is listening to and considering the educational, social and financial costs and benefits that schools and their communities are bringing to its attention in relation to the proposal.

My senior departmental officers, my staff and I are regularly meeting with school and community members and discussing a whole range of issues. I regularly receive feedback and respond to issues that are brought to my attention. The government will, of course, consider all submissions in relation to the process, including the report provided by the P&C. In fact, most of the issues raised in the report commissioned by the P&C have already been taken into account.

Let me list them again. The first is distributional effects. What the government is seeking to do is to ensure a fairer distribution of educational resources that will have a maximum effect on improving student learning outcomes. Education is, of course, the second largest area of expenditure in the ACT budget, and we need to ensure that we get the best outcomes.

The second relates to the one-off costs and benefits that would result from closure of schools. I draw members' attention again to the *Towards 2020* web site. Whilst the P&C researcher did not look at that information and was perhaps only provided with a very limited brief by the P&C, nonetheless those issues are addressed. Thirdly, there are the issues around the curriculum and the consultant's reference to the need for a broader

curriculum. We have that process under way. On the transport side, we are working with ACTION in relation to school bus routes. There will be, of course, transitional assistance funding.

Finally, in replying to Dr Foskey's comments, whilst ever those communities and those individuals within particularly the Save Our Schools group wish to engage constructively in the debate, I will welcome that, but those individuals who go to the media and say that I am lying and deliberately misleading and then expect that I will not respond in anyway, that I do not have a right to defend myself and the government's position, are gravely mistaken.

MRS DUNNE (Ginninderra): Mr Speaker, I seek leave under standing order 47 to explain where I have been either misunderstood or misquoted.

MR SPEAKER: Proceed.

MRS DUNNE: I have actually used the phrase "putting good money after bad" but the minister has in his speech selectively quoted what I said. I have said it here on a number of occasions and I said it today.

MR SPEAKER: Did you say that in your speech?

MRS DUNNE: Sorry?

Mr Barr: I think it was in question time.

MRS DUNNE: I have said it on a number of occasions.

MR SPEAKER: If it was not said in your speech today you should not refer to it.

MRS DUNNE: Today, Mr Speaker, I spoke about the appropriate use of the money that the government has allocated and I have said consistently, today and on other occasions, that if you do not know the reasons that there is a drift and why we have to spend money you are not necessarily making an improvement. Spending money for its own sake, Mr Speaker, is not good enough. This government does not know why people are moving, why it should be spending money in particular areas, and, as a result of that, it is not spending the money wisely.

MS PORTER (Ginninderra) (4.24): The government is opposing the motion moved by Dr Foskey, as the minister has just said. As you know, Mr Speaker, the government is undertaking a comprehensive consultation process. We have put forward a detailed proposal on which we are seeking genuine feedback from the community. We have also backed up the proposal with a record injection of funding for public education.

Towards 2020, which was announced as part of the 2006-07 budget, provides the most significant investment to ensure that public schools remain viable and provide a breadth and diversity of programs for students. The proposal offers students and their families a more diverse range of education options to consider, including early childhood schools, middle-year programs and comprehensive high schools that offer specialist programs in

technology, vocational training and the arts. The consultation process is outlined in the Education Act 2004—legislation passed by this Assembly—which states:

- (5) Before closing or amalgamating a government school, the Minister must—
 - (a) have regard to the educational, financial and social impact on students at the school, the students' families and the general school community ...

That is exactly what the government are doing in our comprehensive and ongoing consultation process over the specifics of the *Towards 2020* proposal. The process is laid out in the legislation and is being conducted in an open and transparent way, using the methods outlined in the ACT government's community engagement manual. I was part of the drafting team for that manual when I was the CEO of Volunteering ACT, so I am very familiar with it. This is open and transparent consultation.

The school communities and the communities themselves do not need this derailment, this confusion, that Dr Foskey's motion will cause. Now is not the time to add another step to the process, over four months since the announcement, when the community have been engaging in the process and working on their submissions. I am aware that a number of community members and groups have already completed their submissions and I know there are many others working on them. I have been assisting them with information for their submissions. I expect that by the closing date for submissions, 3 November, the government will have quite detailed feedback that covers all elements and issues that relate to the proposal and some innovative suggestions arising from the consultation. Where community members have granted their consent, the government will publish all of the submissions made through the process. That is another example of the open and transparent way we are consulting. Dr Foskey has different ideas on how consultation should be run.

This motion calls for a cost-benefit analysis based on the P&C's supposed independent report. The report appears to be entirely focused on financial information, land values and largely unpublished research by groups such as save our schools. Rather than reading and researching widely on possible education costs and benefits, the approach is only financial. The footnote of that report that admits:

... that the benefits of education are not usually considered in analysis of school closures. This is not the case with the *Towards 2020* (proposal). There are several papers on these topics available on the *Towards 2020* website. We have not reviewed them to prepare this report.

The minister has referred to this. While the author admits to not reviewing the full range of educational research available to communities in developing the report, it is interesting to note that the author has reviewed two save our schools reports. Mr Barr said in this Assembly yesterday that on page 12 the report listed the benefits that could be seen from the proposal. Mr Barr quoted from the report as follows:

Teachers are likely to experience benefits in larger schools. There is potential for flexibility, greater interaction with other staff, improved teaching resources and facilities, and assistance with students with behavioural problems and administrative tasks.

An informed debate on education is important, but attempts by lobby groups to attack the credibility of a proposal by using half-truths and selective quotes do not assist school communities. I am aware that the report by the ACT Council of P&C Associations is not the only document confusing school communities. Mrs Dunne, as we know, has issued a community survey containing half-truths and scaremongering.

I am sure all members of the Assembly found particularly interesting the article that has been referred to in this place that appeared in the *Canberra Times* on 7 October. The article, entitled "Charnwood parents tell Dunne to butt out" was highlighted by the minister yesterday. The article opened:

Charnwood Primary School parents want Save Our Schools Canberra and Opposition education spokesman Vicki Dunne to butt out of the debate about the school's future, saying they are doing more harm than good.

The parents say both Mrs Dunne and Save Our Schools ...

That is implying that a decision has already been made to reduce it to a preschool to year 4 school. The article concluded with the school communities stating they were right in their submission and in placing their trust in the government's consultation process.

Dr Foskey is also trying to derail the consultation process by enlisting a student who performed work experience in her office to undertake a survey of school students. The survey calls on SRC members to pass out the survey and send the results not to the *Towards 2020* team or the minister but rather to the office of Dr Foskey. This is not genuine consultation. It is just another underhand attempt to bolster the number of students on the ACT Greens' mailing lists, I would suggest.

In contrast, this government is engaging in genuine consultation on the proposal that has been put to the Canberra community and will continue to do so. This attempt by Dr Foskey to derail the consultation process is unhelpful and will be opposed by this government. Are you serious, Dr Foskey, when you have to be rung to come down to the chamber because you are due to speak? What kind of commitment is that? Mrs Dunne and Dr Foskey like to criticise the backbenchers of the government. However, cheap shots at members on this side are not adding constructively to the debate. My regular mobile offices do not lead me to draw the same conclusions as Mrs Dunne.

My numerous visits to schools and parents' homes and my numerous meetings with parents, board members and P&C members in my office show that they appreciate that the backbenchers of the government are there to work with them to help them bring forward to the minister positive, innovative responses during this period. Where there are particular families or particular children that I believe need special interventions, I have made those needs known strongly to the minister.

As the minister has said, we acknowledge that there are serious difficulties facing the public education system in the ACT. This government is prepared to make this record investment into public education in the ACT. We will provide world-class and sustainable public education.

DR FOSKEY (Molonglo) (4.32), in reply: I thank all members who contributed to this debate. I would like to close the debate by responding to some of the points that were raised. Mrs Dunne said that we still have not seen anything that shows that this proposal will achieve the effects the government says it wants to achieve. I agree. It is a failing of governments, federal and territory, that they just answer a question about what they are doing by mentioning a sum of money.

That one definitely does not work when we have a budget in front of us that is talking about efficiencies. On the one hand we are being told that community service organisations can achieve the same ends by spending less money, and on the other hand we are saying that the government is improving public education by putting millions of dollars into it. Those millions of dollars may improve public education, but just spending them is in no way an indication that it is.

I must apologise to Mr Barr if he feels I am denigrating him. I am not denigrating him. I do not play my politics personally, and I try not to take personally things that are said to me. He is criticising me for this motion, saying that it is just about process and that most of the things that have been said by me or moved by me are just criticisms of process, so they can be cast aside. Well, they are about process. They are about the democratic process. I am elected here as a member. People are going to say things to me that they are not going to say to Ms Porter. That is a fact of life. People probably will not say to Ms Porter, "We are really glad about what you are doing to save our schools." They might say it to Ms Porter. There is no evidence that she is doing it here today in the school, but I am sure there are a number of backdoor processes in train.

We really want to see these processes made open and transparent, and we want people to believe that they are going to make a difference. Yes, there is a need for change. That has always been acknowledged by the Greens. The question is: what is that change for and how will it be achieved? This motion is not about postponing. It is about having all the information so the community can trust that this elected government has made the right decision. It is a very simple thing.

Everything Mr Barr says suggests this government believes that what it does is right just because it is the government. It is an oxymoron. It is also not true. This motion is not just about process; it is about information. It is about getting the information on the table. It is about analysis. It is about doing the work.

All states are dealing with these issues. The ACT is not alone here. They are dealing with changing demographics. They are dealing with the impact of federal government policy, which has hit the public system very hard. They are dealing with ageing and often inappropriate infrastructure.

We all know that there have been fashions in building schools. Some of those schools have stood the test of time and others have not. I believe that the way space is designed is really important to learning outcomes. I am certainly not opposed to change of infrastructure, but I still maintain that the real problems in our schools are most felt at the secondary school level. I think recent statistics indicate this. The government knew this because, before it was elected, before the election campaign, it said that that was where the focus would be.

When Mr Barr got around to addressing the content of my motion he had very little to say except, “We have not done it and we will not do it.” By so doing, he is leaving that work up to volunteers, the experts and the good-hearted people who care to work with the scarce funds—in this case the P&C, which I believe has a very small budget. Yes, turn to your colleague and smile smugly. The P&C association does not have a lot of money, but it is putting it into making sure that this information gets out there. That is probably not what it planned to be doing this year.

A number of people denigrated—and I have heard SOS mentioned several times here—save our schools. Once upon a time it meant save our suburbs but, anyway, it is a useful term. Those are the very people whose advice the government has sought at other times. So it is okay when it agrees with what you are doing, but it is not okay when it does not. That is not fair. Imagine when you come back to those people at another time and want their support, after the kinds of things that have been said today.

I want to thank Ms Porter for contributing to the debate today. I think it is unfortunate that she decided to get personal about me. I do not believe I have been personal when I talk about the fact that I have not heard a backbencher speaking on these topics. It is right and proper, no doubt, that she do her job in mouthing the government’s view. I am sure that when she is in that mobile office, she must hear some constituents saying that they are really scared about what is happening. What does she tell them, I wonder. No doubt she will make strong representations to Mr Barr. Is that the end of it? Is that where the backbencher’s job finishes? Does she wonder why she does not hear more criticism? It is just the way it is that people still have a huge amount of respect and trust for government but also fear that if they speak up and are critical, they might lose something along the way.

I am just wondering, when she talks about my motion as a delaying tactic, whether she really understands what cost-benefit analysis is. It is about saving a lot of trouble later on. It is this government that is going to wear that trouble. It just might be worth taking a cautionary look and thinking about the future of yourself and of other members of the government, not to mention the future of our schools.

It was interesting to hear what Ms Porter said about the work experience student in my office who prepared a survey. I want to tell you that we worked very hard in trying to liaise with Mr Barr’s office about that. We never, ever got the definitive sort of response that said, yes, go ahead; do not go ahead; do it this way; or do it that way. We phoned and phoned. We did it—I mean Ovi did it. He is a young man who wanted to do that. He wanted to do something. He hopes to go to Dickson College when he is finished at Campbell high. That was sent out. Of course I did not say, “Send it back to the department.” I want to know what young people say. I do not believe young people are being consulted. Some of them will write submissions and some of them will not. I am not expecting a high return on that survey, but at least it is something out there. I will let you know exactly what comes back in, Mr Barr.

Mr Barr: I am sure you will. You are perfectly entitled to, but do not try and dress it up as not being political.

DR FOSKEY: I beg your pardon. Of course it is political, as is just about everything we do in our lives. Schools have become a very political topic. I think we could clear the air a lot if we saw a decent cost-benefit analysis. Then we would really know what we are talking about.

Question put:

That **Dr Foskey's** motion be agreed to.

The Assembly voted—

Ayes 7		Noes 8	
Mrs Dunne	Mr Seselja	Mr Barr	Mr Gentleman
Dr Foskey	Mr Smyth	Mr Berry	Mr Hargreaves
Mr Mulcahy	Mr Stefaniak	Mr Corbell	Ms MacDonald
Mr Pratt		Ms Gallagher	Ms Porter

Question so resolved in the negative.

Education Amendment Bill 2006 (No 3)

Debate resumed from 16 August 2006, on motion by **Mrs Dunne**:

That this bill be agreed to in principle.

MR BARR (Molonglo—Minister for Education and Training, Minister for Tourism, Sport and Recreation and Minister for Industrial Relations) (4.46): The government will be opposing this piece of legislation, as we believe it does nothing constructive to help school communities or the public education sector. The bill seeks to allow the AAT to overturn executive decisions, something the AAT was never set up to do. It proposes to delay all school closures until 2008, regardless of the views of the community, and it seeks to put in place a new set of consultation guidelines changing those already agreed to by this Assembly as recently as June this year.

Section 20 of the Education Act 2004 gives the legal power to the minister to establish schools and preschools. It gives power to name or change the names of schools, and it gives power to the minister to close or amalgamate schools following a legislated consultation period.

The act recognises that such decisions are of great importance to the territory and that the most appropriate person to make those decisions is the minister of the day. Decisions around school closure or amalgamation are significant policy decisions for the ACT. Thus the minister of the day, after a mandated consultation period of six months, is well informed and entitled under the legislation to make the decisions.

It is preposterous to suggest that the Administrative Appeals Tribunal would have the power to question or overturn the decision of the minister of the day. Let us reflect on the role of the AAT in a rational way. Why would the AAT, which is more suited to dealing with the decision making of officers within the public service, hold jurisdiction over

policy decisions of the elected government of the day who have been given the support of the electorate?

Perhaps the next step for Mrs Dunne would be that the appropriation bill should be appellable to the AAT. How would good government be possible if every single policy decision of the government were appellable to the AAT? The current Education Act clearly places the onus on the policy decisions of building, naming, closing and amalgamating ACT government schools where it should be: with the education minister of the day.

The act as amended by this government puts forward in simple and easy to read language what will be consulted on, and the principles the consultation will be based on. The current consultation period is following those principles and we still have two months to run in this consultation period. I argue that now is not the time, in a rush of blood by the opposition, to propose that decisions to be made in December following due process be reviewed by the AAT.

In Mrs Dunne's continued attempt to whip up fear and confusion in the community—and this is another example—she is seeking to place a moratorium on all school closures and amalgamations. Regardless of the views of the community, under such a process no amalgamations would be possible before 2008. All this will do is place a burden on the community and raise the level of anxiety.

Many in the community are already actively engaging in meaningful consultation. The community and members of the Assembly are aware of the issues facing our education system. These have been discussed at length in this Assembly. We have declining enrolments, ageing infrastructure, changing demographics and clearly too many schools in the ACT. These issues were first flagged when the Stanhope government went to the community in the west Belconnen region with the proposal for a new school. I also raised it in my first speech in this place and again throughout this debate.

These difficulties are well known. The government is tackling the issues. We are not seeking to run down schools or talk down schools. What we have put forward is a real proposal and we are seeking genuine consultation and feedback on that proposal.

We have also proposed a massive investment in public education infrastructure as a major component of our reform agenda. To put this in context, the government is investing almost \$190 million into our education system as part of this proposal. This includes a record \$90 million injection for capital upgrades for schools over the next four years. This \$90 million is designed to greatly increase the quality of teaching and learning environments for ACT teachers and students.

As I have indicated in previous debate, in this financial year alone there will be 223 separate projects undertaken to improve the infrastructure in more than 72 schools across the territory. Those infrastructure improvements range from new science labs at Lyneham high school and a new hall for Chapman primary school through to some infrastructure and playground upgrades, measures to improve the environmental efficiency of our school buildings. As we know, Mrs Dunne has indicated that she does not believe these investments are worth while.

Mrs Dunne, of course, has not put forward an education policy but has simply sought to oppose everything the government does. We know, consistently in this debate, that those opposite do not believe in investment in public education. This is seen through their colleagues at the commonwealth level. I think this is, unfortunately, relayed through their local mouthpieces.

The community is fully engaged in this consultation process. The proposal the government put forward was put forward as part of the budget. There has been an extensive amount of information available to the community on the 2020 website. School communities are engaging in this process and responding to the proposal. I do not believe that now is a good time to be adding artificial deadlines to the legislation. We are intending at this time to continue to meet with the community on the current proposal and to listen to their views.

As I have previously mentioned, this amendment also proposes to place in legislation another set of guidelines for consultation. I believe this is another unnecessary stalling tactic by Mrs Dunne. We had this debate when I introduced the Education Amendment Bill 2006 (No 2), which strengthened the consultation provisions. Mrs Dunne put forward very similar proposals at that time. Now is not the time to seek to overturn legislation that was passed by this Assembly only a few months ago. Since that time, senior officers in my department and I have been engaged in more than 550 consultation meetings and have read, analysed and responded to more than 1,000 individual pieces of written feedback and correspondence.

As I said at the time of the announcement, I understand that I will be held accountable for this policy decision, not by the Administrative Appeals Tribunal but by the people of Canberra. Whilst Mrs Dunne continues to dream up new opportunities and new ways to speak in this place on what could best be described as procedural matters, I am yet to see any vision at all from the opposition for education in the ACT.

The government's position is that the *Towards 2020* proposal provides a vision that is forward looking, puts forward a concrete proposal and asks the community to think about how great and innovative our education system can be. I am pleased to advise the Assembly that many in our community are now turning their thoughts in that direction. I do not believe this bill does anything to enhance education in Canberra or to assist school communities. It is another stalling tactic that will stop debate and consultation rather than enhance it. That is why the government will not be supporting this bill.

MR STEFANIAK (Ginninderra—Leader of the Opposition) (4.55): Far from Mr Barr's normal mantra in this debate, which is ongoing and will be ongoing for quite some time to come, Mrs Dunne's bill does a number of things, especially in enhancing the education debate. It makes it essential for the minister to give reasons. It provides a check and a balance and attempts once again to establish proper, sensible guidelines which have been tried and proven. They have been used in the past to assist school communities on this difficult issue, rather than being just a *fait accompli*, which is exactly what this government has done with its arbitrary decision, obviously based on the functional review, to close 39 schools. Mrs Dunne presented this bill back in August.

A consistent and reoccurring theme in our approach to education is the need to undertake genuine consultation with the community. That, indeed, was the practice in the past when we were in government. Schedule 2 lists a consultation formula, a formula that fundamentally was used, I think, in 1999 and 2000 most effectively to lead into an amalgamation, in the case of Mount Rogers, with the Spence campus closing; a process that was aborted by school communities in Duffy and Rivett back in, I think, 2000 or 2001; and a process that is supported by the school communities because it involves consultation before the event rather than consultation after an arbitrary decision has been made by government, with no consultation with the community at all.

That is the central tenet in the approach outlined in this bill. Good public policy must involve consultation with the community, and consultation before the decisions are made. That is the obvious, missing ingredient in the government's policy to close 39 schools contained in its very dubious *Towards 2020* statement—delivered as a fait accompli, delivered at the last minute and delivered against every indication given by the previous minister back on 13 April this year, I think, when she signed off on a fairly innocuous document dealing with six or seven forums on issues, none of which involved the closure of schools. We know that the *Towards 2020* package emerged at a very late stage in the budget deliberations—and that is obvious from what I have just said—some time after 13 April and before 6 June, D Day, this year.

The government then had the hide to describe themselves and their budget papers in glowing terms for their courage in implementing the 39 school closures and were quick to pat themselves on the back for backstabbing the Canberra community. We note the point that the people in the community own the schools—not the government, not the people in this Assembly. They are a community asset. Mrs Dunne's bill provides a process that will ensure the community's interests are given priority and not just given lip service, like we have seen.

Let me make this clear. We have said this before and we will say it again. We have never said that there will be no school closures. We emphasise that rigour is needed before any vital decisions are made and that these important processes are undertaken in a correct and proper way. Above all, it must be transparent. Even the P&C indicates that they accept there may be a need for school closures. They have happened in the past. Funnily enough, until last year, when the government, for the first time, closed Hawker primary and Higgins primary to form the super school at Ginninderra, your party has consistently opposed any closures of schools or preschools.

We have in the past indicated that that sometimes is necessary. This bill, with the process in it, is a fair way of ensuring you can do that by taking the school communities with you as much as possible, rather than making the arrogant, arbitrary decision you made to close 39 schools. It has to be a transparent process. Rigour is certainly needed before vital decisions are made. Important processes have to be undertaken in the correct and proper way.

The Stanhope government said—and I remind you again—during the 2004 election that there would be no school closures. Now you have no qualms whatsoever in discarding that promise in a most spectacular way when delivering your bombshell in June on the planned closure of 39 schools.

Central to Mrs Dunne's bill are guidelines which will help schools facing declining enrolments consider their futures. It involves, as you can see when you read it, consulting local communities and making representations that go to the minister for decision. That is in schedule 2 of the bill. At the end of the day, the minister will be required to issue a statement of reasons whenever a school is to be closed or were schools to be amalgamated. What on earth is wrong with that? That would ensure that we never again have to put up with a similar process like the one we reviewed and witnessed this year, driven by a functional review report, which we still have not seen and which is still being withheld from the public.

It is all right for the Chief Minister to put confidential, anti-terrorist draft legislation on a website. Why on earth can you not put the functional review report on a website? Of course, it is cabinet-in-confidence! What is the government so afraid of? Why do they have to keep the community in the dark? The government simply will not come clean on the actual basis for decision-making regarding the closure of 39 schools. This bill squarely addresses that.

Our approach, contained in this bill, is about procedural fairness and transparency. It is the very antithesis of the approach taken by the Stanhope government in this year's budget to the issue of school closures. In this way, our bill also offers protection for the community against the actions of a government in future when it comes to our schools.

I say to the Labor MLAs opposite—and they are not going to do this: have the courage of any convictions on educational issues you may have had back at the Labor Party conference—

Mr Mulcahy: It doesn't count here.

MR STEFANIAK: It does not count here. I invite them to support our bill, which provides a rational and fair basis for future public policy developments in education. I do not want to be bashing my head against a brick wall here. You probably fear it is like going to a confession. You could not expunge your souls. You had your say at your conference. Now you can go ahead. To hell with the community! To hell with proper consultation! Your consciences are all clear. You can vote for the closure of these schools, even though I know some of you probably secretly do not particularly want to. I hope that you can see the benefit in a process like this. It is about fairness. This is an issue that affects thousands of people in our community and will do so for some time to come.

Our children's education is of crucial importance to all of us. The community has indicated for many years they want transparent processes. You are never going to please all of the community. But if you have a transparent process like this, if you have a fair way of involving the community or taking the community along with you and looking at the community's ideas, you will be able to satisfy most of the community if you have a logical, rational argument for doing something.

But you are not doing that. You are arbitrarily and arrogantly dictating to the community that 39 schools will close. You appreciate the situation as a result of the appalling decision you have made. You have worked out, "We made this decision. How do we

justify it now?" We have got this convoluted mess called the 2020 process, with your eight or nine different varieties of education, most of which have had holes shot through them by a lot of educationalists and groups such as the P&C.

Why can you not accept a process like this—real consultation, real involvement with the Assembly on your decision, a decision which you so hastily made and, I suspect, will regret for some time, a decision which is causing great angst in our community and great problems within our school system? Because of the way you have made your decision—getting the consultation process totally around the wrong way, after the event—you are causing further problems with the six-month rule in legislation. This means you are going to announce a decision some time in December. This will cause absolute havoc for thousands of people for the next school year if you go ahead with your decision to close these 39 schools.

I know I might as well be bashing my head against a brick wall and talking to thin air rather than trying to make you lot change your minds, but I think you will regret the decision you have made. It is not in the best interests of education. A fair, open and consultative way is the way to go. It is a way that the community at least would respect government for doing it. That way, too, the community can probably accept some hard decisions that need to be made. They have shown they are capable of doing that in the past. But it is a question of taking them with you rather than just arbitrarily and arrogantly dictating to them. Mrs Dunne's bill takes them with you.

MR CORBELL (Molonglo—Attorney-General, Minister for Police and Emergency Services and Minister for Planning) (5.05): The government will be opposing this bill proposed by Mrs Dunne simply because it is just another attempt by her to derail the comprehensive community consultation process currently being undertaken as part of the *Towards 2020* proposal. ACT residents who have children enrolled in government schools clearly and quite justifiably value their schools.

This is not surprising because our schools are an important part of the social fabric of our community. They develop high-quality educational and social outcomes. They develop citizenship skills in children and provide a place for people of all ages to come together, develop a sense of belonging and build a sense of community.

On another level, schools, like our homes, are places where we share experiences with members of our families and friends and where we build cherished and lifetime memories. This is the very reason why the process described in Mrs Dunne's Education Amendment Bill 2006 (No 3) is misguided and will not work.

Mrs Dunne, in her words and in this bill, recognises the difficulties faced by our education systems and by some schools in particular. While overall we have declining enrolments due to a change in demographics, in some areas like Gungahlin there is a high demand for new schools, whereas in other areas there is an excess of schools.

It may come as a shock for Mrs Dunne to learn that many school communities and their boards have already been engaged in a process of investigation and consultation over a lengthy period of time. This is nothing new. These efforts in schools with declining enrolments have not returned the results we had all hoped for, despite everyone's best efforts.

The fact is there are forces moving against them, not least of which is the fact that we have fewer children now than when these schools were built. In an education system built in the 1970s to accommodate about 55,000 children, we now have 35,000 students and more schools. The bottom line is that, because of the ageing population, declining student numbers and the choices parents are making about which schools to send their children to, some tough decisions need to be made.

I draw the attention of members opposite to the most recent edition of the national journal of the Planning Institute of Australia, *Australian Planner*. In that journal, there is a very useful article on the changing demographics in Canberra suburbs. It has been prepared by an officer of the Planning and Land Authority and peer-reviewed and is now in the journal of the Planning Institute of Australia, *Australian Planner*. There he does a very detailed analysis of the changing demographics in Canberra's established suburbs.

He finds that, even when suburbs go through renewal, as we have seen, for example, in areas such as the inner north of Canberra and parts of Woden, as the original occupants leave and new families move in, the number of school-aged children is still significantly below the original populations. Even where renewal takes place—and renewal will take place in all of our suburbs over time—the school-aged population is well below the original capacity that was built into those suburbs when the neighbourhood school was first built.

That to me, when I looked at it the other day, is a very telling argument about the incredible level of overcapacity in our system. Our suburbs are well planned. But they are well planned to a degree which has an extraordinary level of overcapacity when it comes to the provision of neighbourhood schools in every suburb. The issues of renewal in our suburbs bear out in a compelling way that, even when renewal takes place, the number of school-aged children is well below the capacity within the suburb.

That to me, speaks volumes about the demographic challenges which our city faces and which will continue over the next 10 to 20 years in particular. That, to use the cliché, is really the bottom line. Ageing population, declining student numbers, choices parents are making and lower levels of fertility overall are all driving the demands that we now must address in our education system.

In many cases, the school communities would prefer to retain the status quo, but that position is simply not sustainable. We need to take an honest look at the situation, invest in infrastructure, invest in information technology, address the issue of closures, decide that some closures and some amalgamations will be necessary and therefore maintain in the ACT a quality education system accessible to all—not a system of half-empty buildings, echoing corridors and a lack of facilities in those half-empty schools, depriving students, young people, children and their families of the opportunities they should have available to them in a public school.

It is fair to say that the community itself is engaging in a serious discussion on this matter. My colleague Mr Barr has a clear obligation under legislation to carefully consider all the factors related to the management of schools across the ACT and a clear obligation, in assessing the response to proposals in 2020, to have regard to a very broad range of factors before a decision can be taken.

The government has put forward *Towards 2020: renewing our schools*. It sets out an approach to rationalising the number of preschools and schools in the ACT and makes a record injection of funding for capital and IT upgrades in others. In putting forward the 2020 proposal, the government has publicly acknowledged the need to renew and reconfigure the way we deliver educational services in the ACT.

Unlike the opposition, unlike Mrs Dunne, we are not trying to defer that decision to the AAT or to school boards; nor are we asking the impossible, that individual school boards consider the needs of the whole educational region or the whole system. That is not their job. Their focus quite rightly is on their individual school. We have asked the community to comment on the proposals for their region, and they have, comprehensively and in volume. That shows the effectiveness of the consultation process to date. We have received a strong response and a very comprehensive range of views and issues.

The government is currently asking school boards to consider the best way to ensure that each region is provided with top-quality schools. Under Mrs Dunne's amendment as proposed in this bill, I am not sure who would be charged with this responsibility or how necessary decisions would be made. Would the AAT, the school board chair, the principal of the school or the president of the P&C be responsible? This is clearly a nonsensical proposal.

The government has accepted its responsibility for suggesting how changes could be made to provide children and young people in future with a vibrant, responsive and world-class public education system that is second to none, regardless of which public school they choose to attend. Yes, it involves difficult decisions. It involves the prospect of closure or amalgamation. But we believe we need to address this issue now, and to do so comprehensively. The proposal we have put forward is one that we will now consider in the context of the consultation comments and representations that we have received. It is a significant proposal. There is a six-month consultation process on it.

The proposal by Mrs Dunne will act against the best interests of ACT families and students in the long run. It will also put off again for another day the difficult issue of changing demographics in our community—one that we, as elected representatives, have a responsibility to acknowledge and address.

It would be fair to say that, in contrast, we wait, in anticipation, for the day that Mrs Dunne and the opposition put forward a meaningful policy to support public education. But until we see that, and while we continue to wait, this is simply the latest in a line of long stunts by Mrs Dunne and those who prefer to stick their heads in the sand, accept the status quo and not acknowledge the comprehensive challenges we face and not put forward a pragmatic, informed and considered response to it.

DR FOSKEY (Molonglo) (5.16): I am not going to go over this bill in fine detail, partly because it is very similar to a motion that I put earlier—and that speech is on the record—and because, and this has to be said, I am aware that the government has a majority and it is very clear that the government will not support it. I am going to talk briefly and simply to the principles here.

This bill, which I will support, would put into effect the presumed good process that we had thought would occur when school closures and reorganisations were on the table. It articulates a consultation process which reflects the agreements of the Labor Party, the crossbench and the P&C made prior to the 2004 election. It will put into place a protocol which would ensure school communities are not simply consulted over proposed changes or told about proposed changes to their schools or the education system but that they become partners in the dialogue.

The government is keen to remind us that it is following the legislative consultation process that we agreed to earlier this year. That would be a really good point to make if this were a high school debate. However, a lot more hangs on this than just winning a debate. The legislation requires six months consultation, and six months consultation is all that will happen.

Consultation is not defined. Everyone knows—maybe everyone does not know—about the ladder of consultation. In community development we learn about the ladder of consultation, which starts off with a paper that people are asked to provide written comments on and ends up with something more that we would like to see, which is a dialogue or partnership model of consultation. We are right down at the bottom of the ladder with this one.

It is always worth remembering that there are other governments that take this process of consultation more seriously. Perhaps they have learned that communities who are involved in outcomes own those outcomes and that there is more likelihood that the implementation will be followed through.

Let us face it: we are talking about schools. There are a lot of players here. There is not just the government; there are the teachers. I believe the teachers have been told to shut up and keep out of this process. There are also the parents and the children. There are a lot of people involved here.

The preschool society has argued that it is quite prepared to work with the government's general 2020 policy, but it simply cannot deal constructively or effectively with the plan to close so many preschools from the start of next year. That timing is a real problem to the preschools. I am sure that has been rehearsed with Mr Barr. I hope that he has worked a way around it because it is a real problem. I am not putting it up as a straw man. It is a real problem. If the government does not deal with that one, then I would not have much hope for the rest of its decisions.

I was pleased to hear from Mr Corbell about actual research which would be taken into account in a thorough cost-benefit analysis. It is serendipitous that it has turned up now, but it certainly suits the government's agenda. That is why we are hearing about it. Nonetheless, whether it suits the government's agenda or whether it suited the agenda I would obviously be choosing does not matter because it is hard data. That is what we need and that is what we lack in this debate.

My original motion sought, as this legislation does, an opportunity to provide data such as that. I am not sure whether the particular official was talking about schools—and I am not sure until I read it how well it applies to this debate—but it is really interesting and

important that planners and educators know it. If it was factored into the whole 2020 policy, it might support what the government is doing but it might suggest tweaking it in other ways as well.

Who has ever said, by the way, as Mr Corbell just said in his speech, that schools should be left empty? I have not heard it said. It is certainly not something I have said. Schools are a great resource; they are part of a built infrastructure, a huge investment that was put into this territory—most of it before ACT government became an independent body—and they have given us a very good head start.

As for changing demographics, why not advance lifelong learning? It is not just kids that need to keep learning. If we have got older people in our communities, then provide a place and facilities where the third age university can extend. Open sea-change centres and climate change centres in empty wings. The need to reduce driving will strengthen community facilities so that people do not have to drive out of the suburbs to do all their shopping or to send their kids to school. Open up resource centres to support micro businesses. I am saying that that infrastructure is there. It is a useful resource. It does not have to be just educating kids, and we do not have to close them always in order to use them for other purposes.

I am sure that these ideas and many more will appear and are being put into the submissions that the community is preparing. I hope they are reflected in the government's response. The fact is that, if Mrs Dunne's bill goes down, following the defeat of my motion and the earlier motion, then we are at the point now where we have got to make sure that this process is really good and that it delivers.

People like me, who are speaking for a very large part of the community, will have to find other ways of making sure that the government works for the good of those communities. I will be really keen to see—and I am hoping that we will hear from the government—it stop defending a position. I have not heard anything new since the public meetings which began in June.

Mr Barr: You just said you heard something.

DR FOSKEY: I heard some new information, but I have not heard anything more about your plans and how you will deal, for instance, with the preschool situation.

Mr Corbell: It is called consulting.

Mr Barr: I am consulting.

DR FOSKEY: Excuse me, I am not talking to you. I must be very careful to talk through the Deputy Speaker.

MR DEPUTY SPEAKER: Order, Mr Barr and Mr Corbell! Dr Foskey, speak through me, please. We might have a bit more order that way.

DR FOSKEY: The problem is that the ministers have not come to me and had a dialogue. No-one in the government has come to me and talked with me about this. Here we are in the Assembly, through the Deputy Speaker, in a very indirect way, having

a conversation that I offered to have with Mr Barr a long time ago when all this was just starting to be mooted and in which he said, “Yes, yes, yes. It might be good.” But it did not happen. So here we are! It is limited.

I am very much looking forward to hearing what the government says it will do next in this process. I am very sorry that it did not take into account all these things. We have no more information now, except for a serendipitous article that happened to appear in a planning journal. We have got publicly on the table exactly what we had in June on the website. I do not think it is good enough.

MR SESELJA (Molonglo) (5.25): Before going into the substantive parts of the bill, I would like to pick up on some of the things that Mr Corbell and Mr Barr had to say. I am never quite sure of Mr Corbell’s position on school closures.

Mr Mulcahy: It depends on whether you are at the conference or in the Assembly.

MR SESELJA: I think it does depend on whether he is at a Labor Party conference or in the Assembly. The position does change. I could have sworn that at the Labor Party conference Mr Corbell put up his hand to support a moratorium on school closures. He did support it then. How long ago was that? It was a couple of months ago. A lot has changed. When Mr Corbell was in opposition, he had this to say:

My question is to the Minister for Education. Does the Minister agree that forcing young children to walk long distances to school away from their local neighbourhood is both unsafe and unwise? Does the Minister agree also that parent participation and local community involvement in schooling is facilitated by our system of neighbourhood schools and could be undermined by wholesale closure?

I assume that at the time he asked that question he—

Mrs Dunne: Had his fingers crossed as well.

MR SESELJA: Maybe he had his fingers crossed or maybe what he was getting at was that he actually did not support wholesale closures. I can only take it from that that he did not. Things have changed. Things have changed even since the Labor Party conference, it would seem, because we have had a different position put and different votes by people such as Mr Corbell, Mr Gentleman and Mr Berry at the conference, compared to in the Assembly.

At the end, we had Mr Corbell giving us the standard line in saying, “What would you do? If you had gone to the election promising not to close any schools and had deceived the people of the ACT, if you had promised at the election not to close any schools and decided and announced soon after the election that you were going to gut the education system, what would you do? What would the Liberal Party do?” I have to answer again that we would not deceive the people of the ACT at an election in the way that the Labor Party did. We would not have said publicly that there would be no school closures and then turned around 18 months later and announced the closure of 40 schools, a gutting of the public education system in the ACT. That argument is wearing a bit thin. It is a “what would you do if you were as bad as us?” argument. We are not, we would not be and it

needs to be seen in that context whenever we have this debate that everything that is said in future by this government will have to be taken with a grain of salt.

In that vein, Mr Barr talked about courage and accountability. I hope I am not misquoting him; he can interject if I am. I think he used those two words. It does need to be said that it is not a courageous decision to say after the election, having said that you were not going to close any schools, "We are now going to close lots of schools and we are going to do so well before the next election." That is not courageous and it is not accountable because you are not taking it to the people at an election and saying, "This is our policy. This is what we are going to do." You are announcing it 18 months after the election. You are doing your best to get all the schools closed well before the next election so that you can minimise the political damage. That is not courageous and it is not making yourself accountable in the true sense.

Turning to the bill, we are debating this bill about school closures for one main reason: that this government broke its word. It breached faith with the electorate. After going to the election, it gained a majority based in part on its promise not to close any schools.

Mrs Dunne: "And you mustn't fear a majority Stanhope government."

MR SESELJA: We heard from the Chief Minister that we should not fear a Stanhope majority government. Of course, we know now that not to be true, that people should have feared a majority Stanhope government. But it is about integrity.

Let us look at the Labor Party's platform. Ms Gallagher always says that the statement that the government would not close schools was just a statement by a staffer. Of course, it was never corrected by the education minister. It was never corrected. It was taken to the election. A look through their platform should give you a bit of an idea on that. It should tell you what they stand for and what they are planning to do in the next term. Is there anything in it about gutting the education system? Is there anything in it about closing 40 schools? The only mention of school closures is the one on preschools, which states, "We have kept preschools with low enrolments open for families to access when the Liberals would have closed them."

Their only dialogue with the people of the ACT on school closures prior to the election was, firstly, when they said, "Trust us; we are not going to close any schools," and, "Those Liberals would close the schools and would close preschools, not us." How many preschools are on the list? There are 20 or 22. We are again debating this matter because it is a fundamental issue of integrity. It is an issue of saying one thing and doing another, saying one thing to get elected and doing the complete opposite after the election. That is what we have seen from this government. The community has been misled; clearly it has.

I turn to the timing and the haste of this decision. We had the announcement by the government that it was thinking of closing 39 schools and we have had since then the haste to do so, which is part of what this bill goes to. What is the reason for such haste? Having come to the epiphany suddenly after the election of the need to close 40 schools, they are not going to sit back for a while and think about the best way of achieving this renewal of the education system. They are going to do it as quickly as they can.

At the heart of this issue is the desire to do so as quickly as they can so that their broken promise of the last election may be forgotten by the time of the next election. That is what we are talking about today. The rush is about the election. We hear Mr Barr and other members of the government consistently speaking about consultation, but there is no better consultation than an election. That is the ultimate consultation.

Mr Barr: Why vote for this bill then if you are happy to have that?

MR SESELJA: The point is that at the last election they could have consulted in a genuine way and given the community a chance not to vote for them on the basis of this policy, but they did not. They decided that they would have their consultation process after the election, that they would go through the motions, as required under the act, and then at the end of that they would make the decision that they were going to make anyway; that is, that they would make the decision that they did not have the courage to tell the people of the ACT about prior to the election, an election at which they received a majority, the first majority, which was based in part on the promise not to close schools. They are not keeping that promise and they have failed the ultimate test of consultation, which is one of being open and honest with the electorate and telling them what you are planning to do if they choose to elect you.

Mr Speaker, the moratorium goes to the rushing of this process. It has been a rushed process from the start. That is why Mrs Dunne has moved for a moratorium. Of course, it is a moratorium that was supported by the majority, I believe, of caucus. It certainly was not opposed by the majority. I think four or five supported it. There might have been an abstention; the Chief Minister might have abstained. We will give him the benefit of the doubt. Certainly, several members of caucus actually supported the moratorium.

In relation to the review of all decisions to close schools, I think there is one very good reason that the government do not want to support that. I have heard their arguments, but there is one very important reason. They would have to justify each closure and that would actually bring them to account for this hasty decision that they have made whereby, essentially, they have just cast an eye over a map of the ACT, looked at the enrolments, had a vague cut-off point and said, "These are the schools that are going to close."

There has been no rigorous analysis. There has been no cost-benefit analysis, as we have heard, nor will there be. If they have to justify the decision, they might have to make arguments as to why they have to close each school, rather than talking in broad terms as to why they are going to close schools, and they would be held to account much more directly for their decisions. But it has been a hasty decision and we know why it has been hasty. It has been hasty purely for political purposes. If there were a genuine commitment to reforming the education system in the ACT, if there were a genuine commitment to policy development which had positive outcomes for the people of the ACT in relation to public education, surely they would not be rushing the process. Surely the new minister would not come in and be looking to close schools just a couple of months into the job. If you were serious about it, you would actually take your time, you would think about it and you would put out a reasoned argument rather than the cobbled-together policy that is 2020.

Mr Speaker, we know that they do not like the guidelines that we have suggested in relation to consultation, the consultation guidelines for closing schools. That does demonstrate one of the differences. We have put forward comprehensive consultation guidelines which would actually assist this process, but the problem from the government's point of view, once again, is that they would not allow the government to push through the closures. They would actually force the government to take a little more time. Members opposite keep saying that this is a stunt and this is a delaying tactic, but the only people who seem to be hell-bent on rushing this process are members of this government. As I have said, we know exactly why they want to rush it. They want people to forget about their broken promises.

In conclusion, this bill has come forward because of a breach of trust. It is about a breach of trust. The people of the ACT are going to be very wary from here on in about believing any promises that are put forward by the Labor Party on any significant issue. Certainly around public education, they will be most wary when this minister or this government make promises coming up to the next election to do certain things or not to do certain things. We have seen the record of this government. We have seen how they have failed to keep their promises in education, how they have misled the community and gained a majority on the back of it.

This breach of faith is not courageous and the decision and the way it is being implemented are not about what is best for the education system in the ACT. The decision and the haste with which it is being implemented are about this government being absolved of responsibility by the next election. That is why this bill is important. That is why we should support this bill. That is why the ACT Liberal opposition has put forward this bill. It would actually hold the government accountable. The majority of the caucus actually supports part of the bill, but I am sure that they will not be voting for it, which demonstrates that when it comes to this issue you just cannot trust the Labor Party. I commend this bill to the Assembly.

MRS DUNNE (Ginninderra) (5.38), in reply: Mr Speaker—

MR SPEAKER: Are you closing the debate?

MRS DUNNE: Yes, Mr Speaker, unless you want to speak.

MR SPEAKER: I am busy.

MRS DUNNE: Mr Speaker, I thank my colleagues for their contributions to this debate. I will pick up where Mr Seselja left off. This bill is aimed at restoring the trust of the people of Canberra in the processes for running their education system. It cannot be reinforced enough that the people of Canberra own the government education system and currently the custodians, the stewards, of that education system, the Stanhope Labor government and Minister Barr, are doing a very bad job of their tenure as stewards of this system.

As Mr Seselja has said, the Stanhope government has betrayed the trust of the people of the ACT. They did not have the courage to say otherwise before the last election when Mr Pratt, as the shadow spokesman for education, had the courage to say that in the next

term we may have to look at school closures and amalgamations. When he had the courage to say that, the spokesman for the then minister pilloried him. The minister at the time pilloried him: "How dare he say that! If you vote for the Liberals you will have school closures." The only reference to school closures in the policy that the government took to the last election was the one that it would not close schools, in this case preschools, like the Liberals did.

The one thing said before the last election was "trust us". We had the Chief Minister saying that the people of the ACT had nothing to fear from a majority Stanhope government. The people of the ACT had lots to fear. There has been a complete breakdown of trust between the people and the government, which is a shameful situation for any government to find itself in, and there has been a complete breaking of the bond of truth between the government and the people: "Trust us. We will not close schools. There will be no schools closed in the next term of the Stanhope government." That is what the official said.

But, 40 schools listed for closure later, we are in the situation today where we are debating whether there should be a better process. Yes, Mr Speaker, this is about process. This is about the *Towards 2020* policy for which the government has said once again today there will be no cost-benefit analysis. This is about ensuring that the process of this cobbled-together policy is not hastily pushed through without understanding the ramifications.

In question time yesterday the Chief Minister referred to the impact on the cost of housing of shifting the levers on stamp duty and things like that. Those are little levers compared to the enormity of taking out nearly a quarter of the schools in the ACT. If you shift the levers that much, there will be unintended consequences. This minister used those words today. There will be unintended consequences. We know that. We just do not know what they will be. We do not know who will be adversely affected by this situation. We can guess, but we do not know because there has been no scientific method applied to this matter.

What we have here is a minister who, under pressure, came up with a policy to assuage his colleagues. They have not had the sense or the honour to measure this policy to see whether it will work. If at the end of the day we had had a scientific method applied to this matter, if we had had some consultation, real consultation that was not pushed through in a process whereby people were trying to keep their schools open, maintain a dialogue about whether their schools should be open, closed, amalgamated, truncated, expanded or whatever, and at the same time were having to make arrangements for their children for next year, perhaps we would have had a better dialogue. Perhaps we would have a community that could come to the conclusion that some of these schools should close.

Confronted with the fact that some of these schools have been announced for closure in mid-December, people will have to make arrangements for their children next year by the beginning of February. I want to see this minister and all of his officials on deck every working day between the day he makes that announcement and the beginning of term 1 to make sure that every parent and every child affected by this proposal will have a proper transition, that they will be looked after, that the disabled children in this town who will be adversely affected by the decisions will have their every need met, because

that is what this minister has promised, that is what he has undertaken to do, and if he does not deliver on it, and he will not be able to deliver on it in the time available, it will be because they did not take the time we have offered to them. Dr Foskey has offered them the time and the ALP conference offered them the time, but they will not take the time to ensure that the people of Canberra are best served by this policy.

We have here a minister who says that the members of the Liberal opposition are not interested in investing in public education. That is an outrageous accusation which goes to the heart of the differences between us. This minister wants to throw money at a problem but he has not quite worked out what is the problem. They confuse two things. Yes, there are fewer children in the government system than there used to be. There are two factors addressing that. One of them is the undoubted demographic shift, so that the age cohort of five to 19 is relatively smaller than it used to be five, 10 and 20 years ago. That is an undoubted fact. No-one denies that. But the other factor that contributes to there being fewer children in the government education system is the undoubted drift to the non-government system. Why are children leaving the government system to go to the non-government system? This minister does not know. He has no idea, because he has never asked. His predecessors have never asked.

Mr Barr: There is more than one reason.

MRS DUNNE: Of course there is more than one reason. There is no simple answer to any of these things. Occam's razor is very much overrated, but this minister and his predecessors do not know. His predecessors did not even care. In praise of this minister, at least he is vaguely interested in finding out why, but at the moment he is saying, "Perhaps if we pretty up our schools, people will stay." That may be part of the answer, but there may be a multitude of reasons that people move. We cannot suddenly produce a whole lot of freshly born five, 12 or 18-year-olds to go into our schools and reinforce the population, but we can do something to address the proportion of children who leave the government system and go to the non-government system.

This minister and his predecessors do not know why they leave. We can all speculate about that. We can all have our private prejudices about why we think they leave. He does not know, but he is prepared to spend \$90 million to stop that flow. He does not know why he is spending \$90 million. That is why I am saying that this minister is putting good money after bad. He does not know why he is spending the money. We had the Minister for Planning and the previous minister for education standing up today and extolling the virtues of the government school system. They are legion and they are not doubted by anyone in this place. But this minister did not contribute to the understanding of why there has been a drift from the government to the non-government system.

It was interesting to have Mr Corbell saying here today that we cannot possibly have a moratorium. That was a fair change of tune from that of 29 July, when he went to his state conference and put up his hand, along with everybody from the left. On 29 July, five members of the Labor caucus in this place voted for a moratorium. I am still wondering about that, because it has been reported to me that the wittiest line from the conference was that the people who voted in favour of a moratorium were the axis of weasels, the unhinged, the unloved and the unknown. I am not sure which was Mr Corbell, but he was also unscrupulous because he said one thing at this conference and then came in here and said, "I did not mean it; I only said what my faction wanted."

That is the calibre of people you have in the Labor Party and that is the calibre of people who have betrayed the trust of the people of the ACT.

This bill is designed to give ownership of the decision making about our schools, not Andrew Barr's schools, not Jon Stanhope's schools. The people of the ACT own those schools and they have the right to have those decisions scrutinised. This minister does not want to have those decisions scrutinised. This minister does not want to be put in a situation where he has to say to the people of, for example, Giralang, "I am going to close your school and this is the reason." The way things are structured at the moment, he will not do that. He will say, "We have thought about it and we are going to close these schools." There will be no individual statement of reasons to any particular school which says why that school is closing, because he cannot do it, he is not able to do it and he does not have the guts to do it.

Mr Barr: We will mark that as your statement at 5.50 pm today. When you are wrong, will you retract it?

MRS DUNNE: I always retract when I am proven wrong. This minister and this government do not have the courage, first of all, to justify their position, justify the reasons. Certainly, they do not have the courage to have those decisions tested by an impartial organisation. Dr Foskey has asked questions, members of the opposition have asked questions and members of the public have asked questions about what the process will be between when the consultation papers come in and the minister makes his decision. We have not had any answers. All we know is that the people in the ACT department of education who first came up with the policy in support of their minister are going to be the people who will review all the decisions, who will review all the papers coming in.

There is no impartiality in that. There is no science in that. Mr Stefaniak asked the minister yesterday to say what is the science behind it and how he will measure it. The minister did not have an answer, the same as when constituents of mine have asked him the same question. He does not have an answer. Is it any wonder people in this territory do not trust the word of the Stanhope government? This is about trust. The Stanhope government has betrayed the trust of the people of the ACT. If they want to recoup any of that trust, I challenge them now—I challenge you, Mr Speaker, and I challenge the members of the back bench and the front bench who voted for a moratorium—to vote for this bill and restore trust with the people of the ACT and to have proper consultation about the future of ACT education. If you do not have the courage to do that, you do not deserve the job.

Question put:

That this bill be agreed to in principle.

The Assembly voted—

Ayes 6		Noes 7	
Mrs Dunne	Mr Seselja	Mr Barr	Mr Hargreaves
Dr Foskey	Mr Smyth	Mr Berry	Ms MacDonald
Mr Mulcahy		Mr Corbell	Ms Porter
Mr Pratt		Ms Gallagher	

Question so resolved in the negative.

Adjournment

Motion (by **Mr Barr**) proposed:

That the Assembly do now adjourn.

Australian Choreographic Centre

MR MULCAHY (Molonglo) (5.55): Mr Speaker, sometimes people here are inclined to unfairly criticise me for championing the cause of the federal government all the time. Tonight, I am going to be a little critical of the Australia Council, which is supported by the Australian government. I would like to inform the Assembly about some surprising and disappointing news in relation to the arts in the ACT. The Australia Council recently made the decision to discontinue its funding to the Australian Choreographic Centre, which is based in Canberra.

According to information provided by the council, the centre was believed to be “weak in meeting its funding concern related to a detailed understanding of their place within the contemporary landscape of choreographic development in Australia”. I have been quoted in the media as saying that I was disappointed by the Australia Council’s decision to cease its financial support for the centre.

Since its inception, the Australian Choreographic Centre has successfully promoted the advancement of choreography in the territory and boosted the profile of the art form amongst our young people. Among the many significant functions that the Australian Choreographic Centre performs, several programs stand out. The centre runs a residential program which provides choreographers with the space and administrative support required to do their creative work.

Additionally, the centre runs the Quantum Leap Youth Choreographic Ensemble, which aims to help young people develop a deeper understanding of the choreographic process. Since 1999, this outstanding ensemble has given young people a valuable opportunity to perform in a host of high-quality productions. Such work is invaluable to the local Canberra community as well as dance enthusiasts across Australia. That is why this decision to cut the centre’s funds would be upsetting for many people.

For the centre itself, it serves to diminish the splendid work that is done by its hardworking staff and sponsors. Not only are the staff of the centre adversely affected by this decision, but also the many fine creative artists who have benefited from the centre’s programs would find their discontinued funding both unwanted and somewhat short-sighted. This decision is also an adverse one for the city of Canberra. By ceasing its funding to the centre, the Australia Council is implying that it sees less value in supporting national institutions based in Canberra. Unfortunately, that is part of an increasingly disturbing trend.

The centre’s location in Canberra is one of the ingredients that contribute to its success, allowing artists to reach their creative potential in a setting removed from the distractions

of other larger cities. Canberra has also provided artists with unique access to major national cultural institutions and a highly educated arts audience. The attitude seemingly of favouring major Australian cities, particularly Sydney, of national organisations such as the Australia Council and the Australian Ballet Company is something that our local institutions are coming up against more often.

I recall the recent snubbing of the Canberra Theatre and the patronising comments about our wonderful symphony orchestra by a spokesman for the Australian Ballet Company. This is another prime example, and it is a trend that we should do our best to reverse and we should approach it on a tripartisan basis to the best extent we can. The decision by the Australia Council is a decision that in no way reflects the excellent work that the centre provides and undertakes in Canberra, and I certainly fully support them in their efforts to secure alternative sources of financial support.

I have made direct representations to Senator Kemp, the federal minister responsible. I am very disappointed that he has not come through on this particular matter. I am growing increasingly tired of the elitist Sydney-centric attitude that prevails in some areas of the arts. We have a vibrant and effective cultural array in this town that I quite confidently say, having lived in other parts of the world, would be unrivalled for a city of 300,000 people. It behoves the federal government to send a very clear message to the Australia Council that there is a world outside of Sydney and Melbourne, that this is our nation's capital. I think it is up to either Senator Kemp or the Prime Minister, Mr Howard, to start looking at the ACT in terms of the arts and not allow decisions like this to stand unquestioned. I am finding it becoming a repetitive concern of the attitude towards the needs of the territory on artistic matters, and I am certainly saying here publicly that I will be batting for the interests of the local arts community against these sorts of elements (*Time expired.*).

Remarks by Mr Smyth

MS MacDONALD (Brindabella) (6.00): Earlier today, in the debate on my motion, Mr Smyth suggested that I should scurry off to find the answers to his questions which, you may or may not have noticed, I took exception to. Later I mistakenly accused him of saying that I should scuttle off. There then ensued a discussion with him about the meaning of scuttle. Mr Smyth suggested it is something you do to a ship. It is indeed something that you do to a ship. You may scuttle a ship to sink it, but that is only one of three definitions, Mr Smyth. One of the others is to run "with quick, hasty steps; hurry;" and to move "at a quick pace". To scurry, Mr Smyth, means to go or move quickly or in haste, such as in a scurrying rush. The *Pocket Macquarie Dictionary* gives an example: "We heard the scurrying of little feet down the stairs."

Some might think it is a little sad that I take exception to this, but I have to say that, when I hear the words "scurry" or "scuttle" when talking about going off, I think of mice. I am not a mouse. I am not a rodent of any description. I am a human being. I move at a leisurely pace, with great decorum. I do not scuttle and I do not scurry. I still take exception to the suggestion that that is what I should do. Mr Smyth may choose to scuttle or scurry or move at a leisurely and decorous pace if he so chooses, but I will continue to move at a leisurely and decorous pace.

Human trafficking

MRS DUNNE (Ginninderra) (6.02): Yesterday I was privileged to meet with a group of Catholic religious people who are part of an organisation called Australian Religious Congregations against Trafficking. I was privileged to have in my office three nuns representing various religious orders who have come together as part of a wider group to lobby governments across the country to be more responsive to the issues of women who are trafficked in general but especially women who are trafficked for sexual purposes. We found that we had a meeting of the minds and that the views that they were wanting to reinforce with legislators both here and in the federal parliament were to do with the dissatisfaction with the current visa arrangements which, as members would know, have been improved recently, in about 2004, but are still not good enough.

The group was very supportive of the attitude taken by Liberal women and congratulated the Liberal women on successfully having passed at the last federal Liberal council a unanimous motion in support of adopting a model of protecting women who are trafficked into Australia and who are found in brothels and various other places, which is a much higher standard than is currently the case. They agreed with the Liberal women that we should be looking at a model which is more like the Italian model that provides unquestioning support. Visas are made available to people to allow them to re-establish their lives. That is not conditional in any way upon whether they provide evidence in criminal justice prosecutions.

We still have a problem in Australia where women found in brothels do not have the courage or the support to provide evidence. Sometimes they are prepared to provide evidence, but there is not enough evidence. The women who fall into those categories are sent home to a life where they might be re-trafficked again. Australians are contributing to the re-victimisation of women who have already been substantially victimised and whose lives have been put in great jeopardy.

I encourage members of the Australian Religious Congregations against Trafficking in their task. I note the statements that were made by the Minister for Women recently. I am glad to see a change of heart in the ACT. When I first raised these issues, perhaps back in 2003, there was a fair amount of denial by the Chief Minister and others that it was not possible that these things were happening in the ACT.

It is encouraging to see a change of heart. It is a difficult subject and is often a subject that nice, middle-aged women do not like to talk about. It is highly commendable that a group of Catholic nuns would take up this process. As a class of people, it is not the thing that you would expect nuns to talk about. It is not so much that they would be interested, but the conventional view that people have of nuns is that they are too refined and genteel to talk of these matters.

These are serious matters about the rights of human beings. We should give our support to all of those people who act in the best interests of women who have been severely victimised.

**Student survey
Commonwealth environment legislation**

DR FOSKEY (Molonglo) (6.06): I respond to Mary Porter's allegation that our student survey was merely an attempt to enlarge the Greens' contacting list. The survey is a confidential one. It does not include anywhere in it a request for a student's contact details or email address. The letters were sent generically to the SRCs at schools in the ACT. The furthest thing from our mind was what Ms Porter suggested. A quarter of the questions ask about the Greens' proposal for giving 16 to 18-year-olds an optional right to vote.

We did not want to engage in a push-polling exercise, which is why we invited the minister's office to cooperate with us in this exercise of consulting students. The minister's staff declined our invitation. We asked them whether they would like to make any suggestions regarding the contents and format of the survey. Again, the minister's staff declined.

I make it clear that this was not some underhanded attempt to wrong-foot the government. It may well wrong-foot the government, but that would be primarily a result of the government's own consultation processes which have failed to elicit the kind of information we are looking for. We realised that the people who have been directly affected by these proposals and whose futures can be most directly affected by these proposals have not been consulted and that their opinions and suggestions have not been canvassed.

I just had a go at the ACT government. Now let me have a go at the federal government. I refer to environment minister Ian Campbell's Environment and Heritage Legislation Amendment Bill. Because it was tabled this week, it is very likely that most people do not know about it. We are seeing a lot of media self-censorship already. There was an article, but I do not think it gave a sense of the incredible, far-reaching impact of this legislation if it gets adopted, which it will because the federal government has a majority in both houses. An analysis which is being done by the Humane Society International and World Wildlife Fund Australia says that this bill will:

Potentially wipe 500 threatened ecological communities from the current waiting list for protection under the EPBC Act—

the Environmental Protection and Biodiversity Conservation Act—

(amounting to millions of hectares of endangered habitat across the country);

Remove the mandatory requirement to develop a Recovery Plan once a threatened species or ecological community is listed under the law as threatened;

Remove the mandatory requirement to identify "critical habitat" for threatened species in any Recovery Plans that are developed;

Make it harder for the public to secure legal protection for threatened species and ecological communities with a new requirement for public nominations to comply

with “themes” set by the Minister or risk having the nominations left off for consideration;

Give the Minister arbitrary discretion to remove a publicly nominated species or ecological community from the annual list of species to be assessed for listing (currently the Minister gives his Scientific Committee repeated extensions to postpone consideration of politically controversial nominations such as commercial marine fish and ecological communities occurring on private farmland—a new amendment will allow him to remove controversial nominations from the Committee’s consideration altogether.)

Allow the Minister to refuse to have assessed a threatened species previously rejected for protection even if—

since then—

its conservation status has worsened ...

There are huge alarm bells ringing in environmental organisations about this. It is really important. It gets more broadly into the mainstream. We all rely on our environment. I am sure that everybody knows that Australia has one of the worst records of extinctions in the world, and this minister plans to worsen it.

Illicit drug use

MS PORTER (Ginninderra) (6.10): Last Monday, I joined with my Assembly colleagues Mr Gentleman, Mr Smyth and Dr Foskey in attending the 11th annual remembrance ceremony for those who lost their lives to illicit drugs. As part of the ceremony, we listened as Bishop Pat Power read a list of over 170 names of Canberrans who had died as a result of illicit drug use. Most of those were between the ages of 18 and 35, although even more tragically a number were younger than that—one, 15—and some in their middle years. Bishop Power told those congregated that only last week one of his brother priests performed a burial ceremony for a member of his own family. Proof yet again, if we ever need it, that this tragedy is totally indiscriminate in the way that it strikes.

Also speaking at the ceremony was Tom Trimmingham, the CEO of Family Drug Support, New South Wales. Tony lost his 23-year-old son, Damien, 10 years ago. Mr Trimmingham went on to say that since he started family drug support he had the opportunity to travel the world, meet many dedicated people and even receive awards for his work, but he would give it all up if he were able to spend just 10 minutes with Damien, the son who, for him, will ever be 23 but a son he will never see develop to his full potential; a son who will never have children of his own; a son who, for him, is now a memory.

The remembrance day ceremony was started 11 years ago by a family and friends of drug law reform, in particular Brian and Marion McConnell who tragically lost their own son, Cliff. The ceremony is held under a locust tree in Weston Park because of its particular association for the family of one of their members whose brother died in 1996. At that time, the tree was bare and its thorns stood out against the winter sky, but spring has brought new growth and white blossoms and its beauty and renewal inspire us. At the ceremony we wore white and green ribbons to represent the colours of the blossoms

and the new green leaves. There is also a plaque under a tree at which those of us who attended were able to place flowers as we made our own personal remembrance.

For decades now, successive governments of all political persuasions have spent millions of dollars seeking to prevent illicit drugs from being brought into the country. We need to look at what we are doing to assist those who have become addicted to these substances. We seem to believe that the answer is to stop their importation and the problem will somehow be magically solved. Such an approach reminds me of an old Chinese proverb: there is a simple answer to every complex problem; the trouble is it is usually wrong.

Such is the case for the so-called war on drugs. It is all too obvious that merely preventing importation will certainly not solve the problem. The financial rewards are simply too great for the drug barons to walk away from such a lucrative market. The mark-ups are so huge that, even if large amounts of contraband can be seized and countless mules arrested, the trade will still continue.

There is no silver bullet to this complex problem. But one thing is certain: if we continue to address this major problem in the way we are currently doing, then more young people and the not-so-young will either needlessly die or could have their future lives ruined because of criminal convictions recorded against them as a consequence of crimes committed to feed their habit.

The safe injecting facility that is now operating in Kings Cross is proving to be a major success, with many lives being saved from what may have been otherwise fatal overdoses. But, more importantly, it reports many more are now seeking the support of services that are available through the centre and are choosing for themselves to seek help for their addiction.

Just because a person who, for whatever reason, becomes addicted to illicit substances, it is no reason to treat the problem as one that should be solved through our legal system. This is a health issue and must, first and foremost, be seen as such. We have an obligation to be visionary and seek new and better ways of reducing the harm and destruction that are being wrought on all those affected, including those who love and care for them.

Unlike many of those who were there on Monday, I have not been touched by the death of a family member as the result of this. However, a member of my extended family continues to deal with major issues as a result of substance abuse. He is fortunate to have the love and support of his family, but it is a constant struggle for all concerned. Friends and family cannot do it alone. Those addicted cannot do it alone.

I ask those in this Assembly to try to imagine how they would feel if a member of their family suffered in this way. I always find the problem takes on a sharper focus if we allow ourselves to be in the midst of it rather than as an observer. I trust that no names will be added to the list next year, but I fear that they will.

Death of Mr Jack Marshall

MR PRATT (Brindabella) (6.15): I rise to commemorate the passing of Mr Jack Marshall, who was quite a senior figure in the Royal Naval Association. He was

also a senior figure in the Woden RSL. He was born in 1928. He joined the Merchant Navy in the UK immediately after World War II. He served for something like 23 years in the Merchant Navy. He then came to Australia and spent some 12 years in the Royal Australian Naval Reserve. He had a wide range of interests. He was a broad and quite versatile reader. He was a man with a lot of information.

I also knew him through the Liberal Party. I met him only a couple of times because I did not know very much about his background at all. But I do recall, about two years ago, when he was still then an active member of Long Gully branch, having some quite interesting, quite deep and meaningful conversations with him about international affairs. He was deeply interested, well briefed and well educated in those areas.

Paradoxically, for a time he joined the Australian Army not too many years ago and transferred, as a civilian, to the Joint Intelligence Organisation. He saw out his professional career in that particular discipline. He had a wide range of experiences.

He is survived by his wife, Helen; daughter, Sarah Jane; and son, Jonathon. His funeral was at the Norwood Park Chapel on Tuesday. He was cremated there. Jason Power, his son-in-law, gave a very moving family eulogy. The ceremony was broadly attended. The Royal Navy Association also spoke warmly of his passing, as did the Woden RSL.

He was a man who was widely regarded and well regarded. He was a loving husband. There were quite humorous stories about the way that he nurtured and shepherded his family. According to his wife, he was never known to be angry for one day of his entire life. That is a hell of an achievement.

There goes Jack Marshall, a man who should be well regarded and well remembered. I just put that on the record.

Question resolved in the affirmative.

The Assembly adjourned at 6.19 pm.